

Kohl Makes an Offer To Bavaria's Strauss In Policy Discussions

BONN — Chancellor Helmut Kohl emerged from three days of talks over posts and policy Wednesday saying he had made an offer to Franz Josef Strauss, leader of the Christian Social Union.

He refused to say whether he had offered the Bavarian premier a cabinet role but said they would meet again Saturday to discuss the question.

The Christian Social Union, the Bavarian sister party of Mr. Kohl's Christian Democrats, demanded earlier Wednesday that Mr. Strauss be allowed to pick his own cabinet position.

The demand was published in the party's newspaper, Bayernkurier. Theo Waigel, the Christian Social Union's parliamentary leader, writing in Bayernkurier, said Mr. Strauss should be free to choose "whether and in what post he enters the new Kohl cabinet."

Christian Democratic officials expressed anger at what they called increasingly crude attempts to put pressure on the chancellor.

Political analysts said it was unclear whether Mr. Strauss was making a serious bid for office or whether the power struggle really centered on policy.

Edmund Stoiber, the Christian Social Union's general secretary, said the two conservative parties had reached broad agreement on foreign policy Wednesday before negotiations Thursday with Foreign Minister Hans-Dietrich Genscher, leader of the Free Democratic Party, the other coalition partner.

He said they would press for a "more realistic Middle East policy" and a more critical approach to the black liberation movement in Namibia (South-West Africa).

Mr. Kohl said the three days of talks had produced complete agreement on foreign, security, economic, financial and social affairs, but he gave no details. He said he expected negotiations with the Free Democrats to be concluded on Saturday, leaving two days next week to work out final details.

Heiner Geissler, the Christian Democratic general secretary, acknowledged that the talks with the Free Democrats would be difficult.

The Free Democrats, who were considerably weakened in the March 6 general election, are opposing a series of rightist changes in domestic and social policy that the two large parties agreed upon this week.

They are also determined to



Franz Josef Strauss

keep the Foreign Ministry and Economics Ministry, held by Otto Lambsdorff, and, if possible, the Justice Ministry, held by Hans Engelhard, although Free Democratic officials acknowledge they may lose the Agriculture Ministry, now held by Josef Ertl.

The Christian Social Union added a seat in the March 6 election and now has 53 deputies; the Free Democrats lost 19 and hold only 34 seats. Mr. Waigel said the smallest coalition partner should not be allowed to dictate to the bigger ones.

The opposition Social Democrats, watching from the sidelines after their election defeat, said Wednesday that the Christian Social Union was "putting the handcuffs" on the Free Democrats.

José Luis Sert, 80, City Planner And Architect, Dies in Barcelona

Compiled by Our Staff From Dispatches BARCELONA — José Luis Sert, 80, an architect and urbanist, died Tuesday of heart failure in Barcelona, the city where he was born.

Mr. Sert designed the Spanish pavilion at the Paris international exhibition of 1937, the Maeght Foundation at St.-Paul-de-Vence on the Côte d'Azur and the museum dedicated to his fellow Catalan, the artist Joan Miró, in Barcelona.

After studying at the Barcelona architectural faculty, Mr. Sert became a disciple of Le Corbusier, with whom he worked in 1929 and 1930 in Paris before returning to Spain to become a city planner.

After the Spanish civil war he emigrated to the United States and became a U.S. citizen. He was a co-founder of Town Planning Associates, which drew up city master plans and urban designs for several South American cities. He taught city planning at Yale in 1944 and 1945.

In 1953 he became dean of the Harvard Graduate School of Design, remaining in that post until 1969. He was president of the International Congress of Modern Architecture from 1947 to 1956.

Mr. Sert also drew up master plans or urban renewal projects for such cities as Barcelona; Havana; Bogotá; Medellín, Colombia; Worcester, Massachusetts; and Besançon, France.

He was author or co-author of several books, including "Can Our Cities Survive?" (1947), "The Heart of the City" (1952) and a 1960 biography of another Catalan architect, Antonio Gaudí.

One of his most widely admired works is the Maeght Foundation, an art center completed in 1964 for the Paris art dealer, Aimé Maeght.

"We spent two years working on the light," Mr. Maeght said later. "The sun never hits a canvas and the light is always even." Mary Blume wrote in the International Herald Tribune on March 13, 1975,

that the foundation "gives the impression of being outdoors."

Paul Citroen
WASSENAR, Netherlands (AP) — Paul Citroen, 86, an early force in the Dadaist movement, died Sunday of undisclosed causes, Dutch radio reported Wednesday.

Mr. Citroen, born in Berlin, was a member of the post-World War I Dadaist group, which flourished in his native city. He studied at the Bauhaus in Weimar, where he came in contact with and was influenced by Paul Klee, Wassily Kandinsky and Laszlo Moholy-Nagy.

In 1927, Mr. Citroen moved to Amsterdam, where he founded the New Art School with Charles Roelofs, a Dutch Surrealist. Two years later, Mr. Citroen became a professor at the Royal Art Academy in The Hague.

He was best known for his thousands of portraits of prominent artists and writers, among them Thomas Mann, Marc Chagall, Max Ernst and Henry Moore. He also specialized in painting opera scenery, murals and tiles.

A prolific scholar of the modern art scene, his publications included "Palet," "Drafsman Henk Hartog," "Art Testament," "Introvisamento," "Notes of a Painter" and "Adams and Eves, a Lithograph Album of Amsterdam Youth."

He won the Jacob Maris Prize, a prestigious Dutch art award, in 1950 and 1956.

Maurice Ronet
NEW YORK (NYT) — Maurice Ronet, 55, a French actor who appeared in 70 films and directed four, died Monday in Paris after a long illness. In his last appearance, Mr. Ronet played a thief in "La Balance," which won this year's César, the French equivalent of the Oscar, as the best movie.

He enjoyed the same popularity on television.

The "old head" with his ukulele, off-color jokes and ability to put over a commercial, was still so well known by 1960 that he rated ahead of Richard Burton and John F. Kennedy in a recognition poll.

Mr. Godfrey made listeners a part of his life. Always interested in flying, he plugged aviation to the point that Eddie Rickenbacker said he had done more for the industry than anyone since Lindbergh. When he contracted lung cancer, he made his fight against it a matter of national interest.

His public firing of the singer Julius LaRosa on live television for not being faithful to the Godfrey "family" became a subject of household debate. When he "buzzed" the control tower at Teterboro, New Jersey, it separated the Godfrey haters from the Godfrey idolizers.

His cancerous lung was removed in one of the first successful operations of the kind. Twenty-five years later he was still active but sometimes indicated difficulty in breathing.

Mr. Godfrey brought some of his "friends" together for a television special in March 1981. Among them were Teresa Brewer, Frankie Laine, Patti Page, Guy Mitchell, Rosemary Clooney and The Four Lads.

He was the pioneer of the "kid commercial" technique. One day he received copy for a Washington department store about "filmy, clinging, alluring silk underwear in devastating pink and black."

Mr. Godfrey made some irreverent remarks about the text, and the store was swamped with buyers.

Mr. Godfrey went to New York in 1941 and by 1945 he had got his big break with CBS, which gave him a half-hour of morning network time.

By 1948 "Arthur Godfrey and His Friends" was the best known program on radio. His audience was estimated at 40 million. He retired from active broadcasting in 1971.

He aired many of his television programs from Miami Beach, and one of the streets there was named for him.

U.S. Directive Aims to Influence Soviet Internal Policy by Pressure

By Robert C. Toth
Los Angeles Times Service

WASHINGTON — In a policy decision considered the first of its kind since the height of the Cold War, President Ronald Reagan has ordered his administration to attempt to influence internal policies of the Soviet Union through trade and other economic pressures as a means of forcing shifts in Moscow's foreign policy.

The decision, contained in a classified document titled National Security Decision Directive 75, is believed to constitute the first time since the Truman administration that a U.S. government has made it a policy goal to seek changes in Soviet domestic affairs. The document was issued to government officials earlier this year.

Administration officials familiar with the document say it seeks to make the Soviet leadership more responsive to internal demands from consumers and nonmilitary sectors of the economy. By applying economic pressure to the Soviet Union, the Reagan administration would attempt to reduce the resources available to the Kremlin, and thus force it to make tougher choices between military and civilian spending.

Underlying the policy is the contention that the roots of Soviet external aggressiveness are at least partly internal, and that efforts to constrain Soviet behavior abroad must include attempts to influence the Communist regime internally.

Simply put, this means that if the Russians were forced by economic agencies to reduce their production of tanks and aircraft, for example, they would be less likely to embark on military adventures such as the intervention in Afghanistan.

Last spring, the Reagan administration was reported to be formulating new ways of dealing with the Soviet Union on economic issues in an attempt to convince Moscow to make more spending decisions in favor of nonmilitary objectives. This was a key reason for the administration's stand refusing to permit U.S. technology to be used in building the Soviet natural gas pipeline to Western Europe. One rationale was that the revenue from that gas sales would bolster the Soviet economy, and thus its war-making capacity.

Both William P. Clark, the White House national security adviser, and his deputy, Thomas C. Reed, spoke of the policy, with Mr. Reed declaring in a speech June 16 that the United States "should not provide the trade and credits necessary to prop up the Soviet economy."

Clark decided that he wanted a comprehensive, formal look at every issue and policy the government faced or might face, to get a coherent set of documents that would form the underpinning of Reagan's national security policies. A White House official said.

The studies and resulting presidential directives have ranged from broad topics, such as U.S. policy toward the Soviet Union, to specific ones, such as MX missile basing, U.S. military strategy, Western energy security, space policy, the Middle East and international economics have been subjects of directives.

Some of the directives break little new ground. But the directive on the Soviet Union departs radically from the policies of previous administrations by formally setting forth Mr. Reagan's call for "an enduring, realistic and security-minded economic policy toward the Soviet Union."

Some Europeans have criticized the restrictive U.S. trade policy toward the Soviet Union as being

WORLD BRIEFS

Suharto Makes Cabinet Changes

JAKARTA (UPI) — President Suharto formed a new cabinet Wednesday, making major changes in the portfolios.

President Suharto, elected to a fourth five-year term last week, appointed Lieutenant General Benny Mardani, 50, chief of army intelligence, commander in chief of the armed forces.

General Mohamed Jusuf, 54, will be replaced as defense minister by General Poentjara, 56. General Jusuf has been appointed head of state audit board. Retired General Ali Murtopo, 58, is being replaced as information minister by a civilian, Harmoko. Widjono Nitisman, a minister coordinator for the economy, will be replaced by Ali Wardana, the former finance minister.

Bomb Found at U.S. Base in Japan

SASEBO, Japan (Reuters) — An unexploded firebomb has been found inside a U.S. Navy ammunition dump, five days before a U.S. carrier begins a visit, the police said Wednesday.

The police said the device, found in a Sasebo warehouse, appeared to be planted by leftist radicals opposed to the visit of the 60,000-ton nuclear-powered Enterprise. The firebomb, a tin of gasoline attached to a timer, failed to detonate, they said.

The Enterprise is engaged in operations off South Korea as part of U.S.-South Korean war games, which the Soviet Union, China and North Korea have denounced as provocative. Japanese leftists oppose the visit because it is nuclear powered. They also say it is carrying nuclear weapons.

U.K. Agrees to Arab League Visit

LONDON (AP) — Britain has agreed to receive an Arab League delegation, including a man with close ties to the Palestine Liberation Organization, after having canceled several previously scheduled visits of the Arab League's insistence on PLO representation.

British officials announced Wednesday that the six-nation delegation, including Walid Khalidi, a "representative of the Palestinian people," would meet Friday with Prime Minister Margaret Thatcher and her call on Queen Elizabeth II at Buckingham Palace. The Arab League described Mr. Khalidi as a member of the Palestinian National Council, but British officials noted that he had no official status with the PLO. Mr. Khalidi is a professor of political science at American University, Beirut and a graduate of the University of London and Oxford.

Salvadoran Victim Misidentified

SAN SALVADOR (UPI) — The Salvadoran Army has identified a woman killed in a firefight Monday as a former Salvadoran congressman turned guerrilla commander, not a foreign journalist as first believed.

A Defense Ministry communiqué Tuesday said that Mariamela Garcia Villalaz, the original president of the Salvadoran Human Rights Commission, was first thought to be a foreigner because of her blond hair and blue eyes — rare for a Salvadoran woman.

First reports indicated that Miss Garcia Villalaz and an unidentified man were foreign journalists killed with 18 leftists. The latest army statement made no mention of the man, and U.S. Embassy officials were investigating whether he might be an American.

W. Germans Issue Plea for Sakharov

FRANKFURT (UPI) — More than 1,000 West German scientists, philosophers and other leading figures have signed an open letter to the Soviet government calling for an end to the persecution of Andrei Sakharov, the physicist, it was reported Wednesday.

The letter urged the Soviet authorities to free Mr. Sakharov from his exile in the city of Gorki, to grant him full civil rights and to end harassment of the scientist and his family, the Frankfurter Allgemeine newspaper said. It said the letter was signed by more than 1,000 physicists, astronomers, doctors, philosophers and others.

Treatment of Mr. Sakharov and other prominent dissidents has been viewed by some Western observers as a test of how the new Soviet leadership planned to deal with those who criticize official policies.

For the Record

GENEVA (UPI) — U.S. and Soviet negotiators met for two hours Tuesday in the fifth round of talks on limiting nuclear missiles in Europe. The two sides gave no details except to say the next meeting would be Thursday.

WARSAW (Reuters) — Cardinal Jozef Glemp returned Wednesday from a week's trip to Rome where he discussed Pope John Paul II's second visit to Poland, officially scheduled for June 16-22. He said the schedule of the visit still had to be coordinated with the authorities and it should be published in the next few days.

LONDON (AP) — Post office workers intercepted a letter bomb addressed to Prime Minister Margaret Thatcher on Wednesday and had defused it after similar devices were sent to her and to a U.S. Navy office in London, the police said.

BEIJING (UPI) — Elections to choose deputies to China's parliament will begin Thursday in Beijing, the Xinlun press agency has reported. The elections will be completed in the provinces, autonomous regions and other municipalities by the end of April. A total of 2,500 to 3,000 deputies are to be elected.

Soviet Talks Of Response

(Continued from Page 1)

"all necessary measures" to defend itself and deter war.

"If an enemy starts a war and uses nuclear weapons first, the Soviet Union would be forced to behave accordingly," he said.

One of the few indications that the Soviet Union might consider compromising on its stance on the intermediate-range missile talks came from Alexander Bavin, a senior Izvestia commentator known for his connections to the party leadership.

"The Soviet proposal is not an ultimatum," he said in an interview, adding that he spoke only for himself. "In the abstract, if we have more rockets there is need for more negotiations. But this is a very dangerous game," he continued.

Soviet officials said French and British missile forces would not have to be formally included in an agreement with the United States, but they would have to be taken into account. By this, they explained, they meant there would be a paragraph in the treaty stating that Moscow could build its missile forces in response to French and British increases and would be obliged to decrease them if London and Paris decreased theirs.

The Soviet officials maintained that French and British missiles now had 386 warheads, that in two years they would increase by 110 warheads and that by the end of the decade they would total about 1,200.

The officials also said that not all of the 500 missiles to be removed from facing Europe to reach the 162 level would be dismantled and destroyed. They implied that at least some of the SS-20s now aimed at Europe would be redeployed in the Soviet Far East.

They said there are now 108 of the SS-20s in the Far East, not 99 as U.S. intelligence contends. And they indicated that their plans called for more missiles in the Far East to meet a growing Chinese and American threat there.

The officials also refused to make any distinctions between Pershing and cruise missiles. Some U.S. officials had been hoping that the Soviet Union might be willing eventually to accept the deployment of some cruise missiles, which would have more than two hours to fly to Soviet territory, in exchange for not deploying the Pershings, which could hit Soviet territory in 6 to 10 minutes.

Polish Scientist Defects to U.S.

The Associated Press

WOODS HOLE, Massachusetts — A scientist from a Polish research vessel is seeking asylum in the United States after becoming the second man to flee the vessel in less than three weeks, authorities said.

Tadeusz Chromicz, a member of the scientific party on the vessel Wisniewka, was not aboard when the ship left the Northeast Marine Fisheries Center on Monday, said Herbert Stern Jr., operations officer for the center. The vessel was returning after two months of joint Polish-American research.

Little was known about Mr. Chromicz or how he defected. Mr. Stern said he did not know what Mr. Chromicz was specialized in, how old he was or where he lived in Poland.

Gunman Killed in Belfast

The Associated Press

BELFAST — A police patrol killed a gunman and arrested two Wednesday after intercepting what a police spokesman said was a Protestant death squad setting up an ambush in south Belfast.

Syria Rejects Israeli Stand on Lebanon

(Continued from Page 1)

Syrian thinking regarding the Israeli-Lebanese negotiations.

In his address, Mr. Assad facetiously referred to Israel's reported conditions for withdrawing from Lebanon as some of the "wonders of our time." The Syrian president then went on to describe in detail the Israeli stand — which demonstrated just how closely the Syrians were following the day-to-day negotiations — "Israel's capitulationist terms."

First, he said, there was the question of Israel's demand for a 25-mile (45-kilometer) security zone in southern Lebanon. On this point, Mr. Assad expressed his unequivocal opposition to Israel's "designating certain zones in the neighboring states wherein it would specify a certain maximum size of forces and arms that must not be exceeded, which means the state or states neighboring Israel are not free to deploy their forces freely within their own international boundaries."

Second, he indicated his rejection of any Israeli early-warning stations or residual military presence in southern Lebanon by asking rhetorically: "Is it not a matter taken for granted that each state should be expected to refuse any foreign presence on its territory?"

Third, he decried the Israeli demand for "the right of constant aerial photography and reconnaissance" over Lebanese territory "or specified portions of it."

Fourth, Mr. Assad scoffed at the suggestion that "Israel's security also requires that each Arab state should have diplomatic relations with Israel and exchange embassies with it," short of which there could be considered to be "no peace."

Finally, regarding the Israeli demand that Lebanese news media not engage in hostile propaganda against the Jewish state, Mr. Assad

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For the Record

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U.S. Reported Ready To Seek Soviet Curbs At Meeting on Trade

By Axel Krause

PARIS — The Reagan administration plans to renew efforts to convince its allies to tighten sales of sophisticated equipment and technology to the Soviet Union, particularly in the oil and gas sectors, during a two-day meeting starting Thursday in Paris, according to a senior U.S. government official.

Soviet Output Increasing More Slowly

Reuters

MOSCOW — Soviet economic growth rates flagged in February, raising questions about a strong January showing that had led to speculation that a lasting upturn might be under way.

Figures published Wednesday by the central statistics board showed that industrial production in the first two months of the year had increased by 5.6 percent compared with the same period last year.

This figure was a significant drop from the 6.3-percent growth rate registered in January.

The report did not give a separate growth figure for February, but statistics for individual industries indicated it was well below the January rate.

The high level of growth at the start of the year led to reports in the West that a drive by the new Soviet leadership for greater productivity and labor discipline was already invigorating the economy.

But Western economic attaches in Moscow remained skeptical. They said the January results looked high only because they were compared with a dismal month in 1982.

Production in January 1982 was so poor that the results were never published. Results the following month were also poor. Western analysts said. As a result, the economic attaches said they would have expected a growth rate of around 4 percent or 5 percent this year in any case.

They said it would take a few more months to tell if the efficiency campaign launched by Yuri V. Andropov, the Soviet leader, was having any real effect.

One of the key indicators of efficiency, the labor productivity growth figure, fell from 5.5 percent in January to 4.6 percent for the two months taken together, pointing to a February level of below 4 percent.

Moderate improvements in most industrial sectors were registered last month. Oil production, for example, rose to 47.6 million metric tons, compared with 46.5 million in February 1982.

But the coal industry, singled out for special criticism by party leaders, showed only a slight improvement, with output rising from 59.4 million to 59.9 million tons.

The growth rate for light industry was below target at 2.2 percent, which would seem inconsistent with a pledge by the new Soviet leaders to produce more consumer goods.

Meanwhile, a Soviet deputy trade minister issued a call Wednesday for better planning and coordination in order to prevent a situation in which production quotas are met but consumers' demands remain unsatisfied.

The trade minister, Pyotr Kondrashov, complained in an article in Pravda, the Communist Party daily, that industry regularly would agree to meet demands from the retail trade, but that individual factories would end up being unable to fill actual orders.

Mr. Kondrashov said the gap between plans and production for light industry this year might approach 1 billion rubles (about \$1.3 billion). He also criticized the policy of "plan correction," meaning the revision of production targets, almost invariably downward, to reflect supposedly unforeseeable factors.

The meeting of the Coordinating Committee for Exports to Communist Areas, known as COCOM, is expected to be marked by sharp controversy because "some major European" allies still are either neutral or opposed to implementing new curbs on trading with communist nations, particularly if the allies' national security interests are not endangered, the official said.

The official, who will participate in the meeting, declined to be identified or to name the allies to which he was referring.

The COCOM meeting, focusing mainly on oil and natural gas technology, is the first gathering of its kind among the allies on curbing flows of sensitive industrial exports to communist countries since President Ronald Reagan's announcement last November that he was lifting sanctions against U.S. and West European companies providing equipment for the Soviet natural gas pipeline to Europe.

The immediate goal of the administration is to win agreement from participating nations to restrict sales of technology that would help the Soviet Union develop its oil and natural gas resources, including sophisticated offshore drilling equipment.

The official said that this was "a critical area" for the Soviet Union, "and we want to restrict sales of items which enhance their economic potential, since it allows them to develop their military capacity. He added, "We would like to see oil and gas development take place elsewhere, like Norway."

The administration also is hoping that similar, broader commitments to curb East-West trade will emerge from detailed studies or reviews of trading practices presently underway within COCOM, the Organization for Economic Cooperation and Development, the International Energy Agency and the North Atlantic Treaty Organization, the official said.

But he conceded that the chances of getting significant agreements in these organizations were slim.

"There has been considerable backpedaling" among some allies on restricting trading with communist nations since Mr. Reagan's announcement lifting sanctions, the official said. He added that during a recent visit to European capitals he detected attitudes which he said ranged from being supportive of the U.S. position to being "neutralist" or "non-involved."

Some progress, he said, was being made within COCOM aimed at tightening exports of a broad range of sensitive industrial products that Washington wants restricted, and which he declined to identify. But several allied nations have opposed restricting other export items, such as robotics.

"We are still a way from a consensus," the official said. But he said the overall review would be continued and discussed during a high-level COCOM meeting to be held in Paris in late April or early May.

At that meeting, U.S. officials also are expected to renew the administration's campaign to enhance COCOM's small investigative capacity and to raise its annual budget, estimated at roughly \$400,000, to about \$2 million.

COCOM, established in Paris in 1949 as part of NATO, was subsequently expanded to include France and Japan. But it still is operated with a small staff operating in several rooms in an annex to the U.S. Embassy.



A Soviet-made Whiskey class submarine that surfaced after being caught in a West German fishing boat's net. The photo was released by Danish naval authorities.

West German Fishing Boat Nets Sub

Reuters

DUEODDE, Denmark — A Warsaw Pact submarine was caught in a West German fishing boat's net as it took part in a naval exercise off Poland, a Danish Coast Guard spokesman said.

The Soviet-made Whiskey class submarine surfaced Tuesday so that crew members could remove the net, the spokesman said. It then submerged again.

The spokesman said that he did not know the nationality of the submarine, which was netted about 15 nautical miles south of here.

House Democrats Propose Budget With Smaller Military Increase

By Edward Cowan

New York Times Service

WASHINGTON — The House Democratic leadership has outlined a proposed U.S. budget for 1984 that would boost military spending by 4 percent, less than half the 10-percent rise sought by President Ronald Reagan, and which would raise an extra \$30 billion in revenue by unspecified tax increases.

The Democrats said Tuesday night that their budget would produce a deficit of \$174 billion against President Reagan's projected \$189-billion deficit. Both spending and revenue would be higher than in the president's Jan. 31 budget for fiscal year 1984, which starts next Oct. 1.

Earlier, Senator Pete V. Domenici, Republican of New Mexico, postponed until April 6 the drafting of a 1984 budget by his Senate Budget Committee.

Senator Domenici said he was responding to a plea for delay made to him personally at the White House early Tuesday morning by Mr. Reagan and to what the senator described as indications that Mr. Reagan would scale down

his proposed military spending increase.

White House officials confirmed that the president had hinted for the first time that he would give some ground on military spending. Had the Senate committee voted on that matter Tuesday as scheduled, the president almost certainly would have suffered a defeat.

The House Democratic budget was made public by the speaker of the House, Thomas P. O'Neill Jr., flanked by other Democratic leaders, the chairman of the House Budget Committee, James R. Jones of Oklahoma, and some of the 20 Democrats on the panel.

"We trust and hope that we will be able to pass it," Mr. O'Neill said.

The note of uncertainty in that statement was a reference to budget defeats suffered by Speaker O'Neill and his party on the House floor in 1981 and 1982, when President Reagan mobilized majority coalitions of Republicans and conservative Democrats.

With the 26 seats the Democrats wrested from Republicans in the November elections, they are expected to win this year's budget fight. The present House lineup is 368 Democrats, 166 Republicans and 1 seat vacant. Floor action is expected next week.

Representative Jones said his committee would begin the formal process of adopting the Democrats' budget Wednesday and "proceed as rapidly as possible."

Stressing the themes of economic growth and fairness, the Democrats said they planned to restore some of the spending cuts made in 1981-82, at the president's insistence, in child nutrition, food stamps, welfare payments, day care and other social services and Medicaid health benefits for low-income families.

The Democrats included in their budget a variety of other programs that President Reagan had proposed to eliminate. The list included, in part, community services grants, work incentives for the unemployed, legal services, energy conservation grants to low income families, economic development

3 Who Left Boeing for Pentagon Investigated Over Severance Pay

By Jeff Gerth

WASHINGTON — A U.S. grand jury is investigating the cases of three Boeing Company executives who received about \$400,000 in severance payments when they left the company in 1981 to take high-level Defense Department positions, according to officials in the government and the company.

According to law enforcement officials, the investigation is to determine whether the severance payments were larger than or of a different nature from those normally paid by Boeing to executives who resign.

It is also to determine whether the payments constituted a conflict of interest for the three men and whether the officials reported the payments properly on the public financial statements that government officials must file.

It is against the law for companies to pay extra compensation to employees who enter the government.

The officials under investigation are Melvyn R. Paisley, assistant secretary of the navy for research, systems and engineering; T.K. Jones, deputy under secretary of defense for strategic theater nuclear forces; and Herbert A. Reynolds, deputy director of the Defense Department's Office of Intelligence and Space Policy.

Mr. Jones and Mr. Paisley declined numerous requests for interviews and did not respond to written inquiries left with them last week. But, according to government officials, they denied any wrongdoing when questioned by federal investigators.

Mr. Reynolds said that whatever he received from Boeing was "perfectly proper."

"I haven't done anything wrong," Mr. Reynolds added. "Boeing is not going to gain from what I do. If I have any residual loyalty it's to the government, where I served 27 years, not to a company where I spent five years."

The Defense Department declined to comment on the investigation.

Boeing, in a prepared statement, said that it was cooperating fully with the government's requests for information and that the company "has done nothing unlawful, unethical or otherwise improper."

The so-called revolving door between Defense Department officials and military contractors has often been the subject of study, but this may be the first time that a criminal investigation has focused on payments to aerospace executives entering the Pentagon, according to authorities.

Boeing was the nation's sixth largest military contractor last year, receiving \$3.2 billion in fiscal year 1982, up from \$2.6 billion in 1981 and \$2.3 billion in 1980, according to Defense Department figures.

Last year, the head of Boeing's aerospace divisions predicted that further gains could be expected during the next few years, in part because of more than a billion dollars in expected new contracts with the navy.

The secretary of the navy, John F. Lehman Jr., who was a consultant to Boeing before taking office in 1981, is also under investigation by the Justice Department, according to government officials. Mr. Lehman has denied any wrongdoing.

The Lehman inquiry is separate from the Boeing investigation. Boeing declined to disclose the size of the severance payments and other compensation it made to Mr. Paisley, Mr. Jones and Mr. Reynolds.

The investigation, which began last summer, was referred to the Justice Department from the Defense Contract Audit Agency uncovered the severance payments during an audit, according to government officials. The audit agency examines the books of Defense Department contractors and evaluates the acceptability of costs claimed or proposed by the contractors.

Acting EPA Director Is Queried on Report

By Howard Kurtz

Washington Post Service

WASHINGTON — John W. Hernandez Jr., acting director of the Environmental Protection Agency, allowed Dow Chemical Co. to suggest changes to a 1981 draft report in which the agency largely blamed Dow for dioxin contamination in two rivers in Michigan, according to EPA documents.

After receiving Dow's comments, agency officials deleted statements linking dioxin to cancer and birth defects, as well as the agency's conclusion that "Dow's discharge represented the major source, if not the only source, of [dioxin] contamination" in two rivers near a Dow plant in Midland, Michigan.

The 1981 study was made as Michigan citizen groups were urging the EPA to restrict the levels of dioxin in the area's water, soil and air. The agency has taken no action in Michigan to regulate dioxin, a chemical produced in the manufacture of herbicides. Last month the EPA offered to buy the homes of 2,400 residents in the dioxin-contaminated town of Times Beach, Missouri.

Representative James H. Scheuer, who is chairman of the Science and Technology subcommittee on natural resources, agriculture research and environment, charged Tuesday that Mr. Hernandez "personally intervened at EPA to allow Dow ... to alter a draft report and suppress all references to Dow's responsibility for dangerous levels of dioxin contamination in and around its plant."

Mr. Scheuer, a New York Democrat, released copies of the EPA report. Charles L. Dempsey, the EPA inspector-general, has begun an investigation into Mr. Hernandez's role in the dioxin report, Mr. Hernandez was appointed acting director after Anne McGill Burford resigned as EPA administrator last week following charges that the agency had been overly cooperative with some polluters.

Mr. Hernandez, who was the agency's second-ranking official at the time of the study, strongly denied Tuesday that he had ordered the deletions in the final dioxin report, saying he directed only that it be shared with Dow at the company's request.

Mr. Hernandez said he had acted because the report contained some of Dow's own research and "had not been through a thorough peer review by outside scientists."

He conceded that "it might have been better" to circulate the report more widely.

Lisa Swank, a Dow spokesman, said that EPA had "asked us for our comments" as part of a routine peer review process. Other companies also may be contributing dioxin to the Saginaw and Tittabawassee rivers, she said, and the amount of dioxin in the latter is only 200 parts per trillion. This, however, is four times the standard set by the Food and Drug Administration for dioxin levels in fish.

Val Adamkus, the EPA regional administrator in Chicago, who was told by Mr. Hernandez to share the draft report with Dow, said through a spokesman that he considered the order highly improper.

The draft report cited studies showing that dioxin causes liver damage in rats, cancer in animals that have received low dosages, reduced fertility in monkeys, and birth defects in rats, mice and lambs. All these references were deleted from the final report.

Polish Paper Sees Easing of Crisis

Reuters

WARSAW — The Communist Party newspaper Trybuna Ludu said Wednesday that Poland was gradually pulling out of its economic crisis, but it said results were still not satisfactory.

The daily was commenting on government statistics showing industrial production last month was 9 percent higher than in February 1982, but nearly 7 percent lower than in January 1983, mainly because of a reduction in working days.

Only a few of the industries recording the biggest growth in output last month were suppliers of consumer goods, the newspaper said, adding that production of such goods was still far from adequate.

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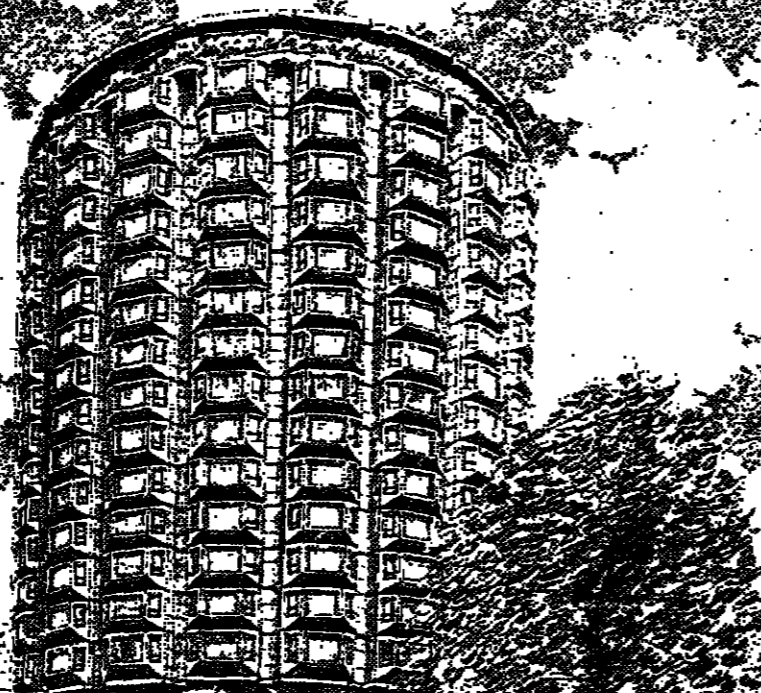
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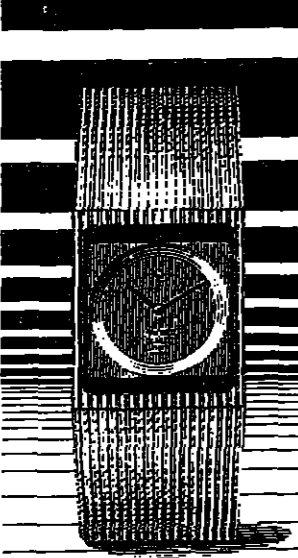
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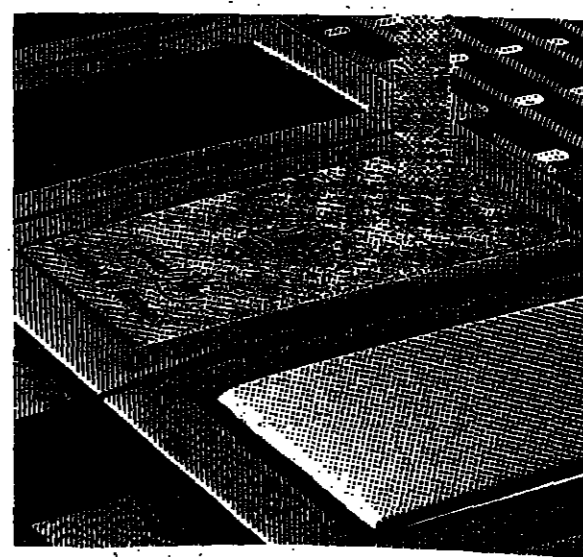
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Irish in Britain Are Fighting the Stereotypes

They See Themselves as Scapegoats for IRA and Resent Ethnic Jokes

Reuters
LONDON — The Irish in Britain, who form the country's largest ethnic community, are finding it difficult to overcome traditional stereotypes.

They believe they are unfairly made scapegoats for the murderous actions of extremists in Northern Ireland and occasionally in Britain, and they dislike the Irish jokes that depict them as being stupid.

Things are not as bad as in the 1940s, when "No Irish need apply" signs hung outside British factories and apartment buildings after bombing campaigns by an earlier generation of the Irish Republican Army fighting British rule in Northern Ireland.

But it can still be very difficult to be Irish in Britain, according to Irish organizations working with the community.

"Anyone proud to be Irish is often suspect, especially if he expresses his pride. He is thought to somehow secretly favor violence," said Pat Delaney, a founder of the Irish in Britain group. "Ireland is Britain's nearest neighbor, but the country the British know the least about. The image of the stereotype Irishman as drunken, vi-

olent, stupid is still presented in so-called Irish jokes."

Feeling against the Irish has increased since the IRA resumed its campaign of violence in Northern Ireland in 1969. Since then, 366 British soldiers have been killed in the province.

And last year two IRA bombs exploded in London's Hyde Park and Regent's Park, killing 11 soldiers on ceremonial duties and injuring scores of civilians. A Conservative member of Parliament, Ivar Stanbrook, said at the time: "Without a sea of expatriate Irishmen in which to swim, the IRA would never escape detection in Britain."

According to the British-based Irish National Council, the British believe that the half a million Irish in Britain are by nature nationalists and therefore republicans, and thus they harbor IRA sentiments and even protect the organization.

"This feeling is not always expressed, but somehow it's latent," said the council.

The council hopes to raise the level of debate and work toward the peaceful unification of Ireland.

Jim McGrath of the Federation of Irish Societies said the Irish had felt particularly vulnerable since the introduction of the Prevention

of Terrorism Act in 1974. The act, under which people can be held for seven days and excluded from Britain, was introduced after an IRA bomb killed 21 persons in Birmingham in 1974.

British as well as Irish groups point out that in the past nine years 5,500 people, mainly Irish, have been held under the act and only 78 convicted. They describe it as anti-Irish rather than anti-terrorist.

Irish groups are also concerned at demands by some members of the ruling Conservative Party to end voting rights for Irish citizens in Britain. Home Secretary William Whitelaw rejected calls for disenfranchisement at a party conference last year but said he would set

up an all-party committee to examine the issue.

The committee began its study in December and is expected to make its report to Parliament next month.

British in Ireland have never had the right to vote in general elections there, but earlier this year the Irish government promised to give them voting rights.

The demands to disenfranchise the Irish in Britain grew after Ireland refused to back British sanctions against Argentina during the Falklands last year. The Irish government said that was in keeping with its neutrality policy.

Irish groups are also angry at the sale in some British shops of such items as mugs with the handles inside, T-shirts with the word "Irish" misspelled and "Irish acupuncture sets" with nails.

When one group protested to one of Britain's largest chain stores selling such material, the store agreed to remove it.

Another member of the Irish in Britain group said: "These things demoralize the Irish and deeply affect their children. When a teacher recently asked who was Irish my children didn't put up their hands."

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Allister Sparks, left, being interviewed in his office Wednesday by a police officer.

South African Police Conduct Raid On a Reporter; Another Arrested

Reuters
JOHANNESBURG — Security police conducted a surprise search Wednesday of the home and office of Allister Sparks, a leading South African journalist. In an apparently related action, police arrested Bernard Simon, a South African who reports on AP-Dow Jones, a U.S. business news service.

Mr. Sparks, a former editor of the Rand Daily Mail, is now the South African correspondent for The Washington Post, The Observer of London and The Economist, a British weekly newsmagazine.

After early-morning searches of Mr. Sparks' home and office, police arrested Mr. Simon. He was not charged, but he had to post 500 rand (\$460) bail. Mr. Simon, who was questioned by police, said the security branch "is apparently accusing me of removing documents from Allister Sparks' office."

A longtime friend of Mr. Sparks, Mr. Simon has an office nearby.

"The whole thing is a pretext for intimidating the press," Mr. Sparks said. He added that the police said they were looking for documents in connection with articles he wrote

quoting Winnie Mandela. Mrs. Mandela's husband, Nelson, is the imprisoned leader of the African National Congress, the main black

nationalist group seeking to overthrow the government.

Mrs. Mandela has been banned by the South African government, meaning that it is illegal for her to be quoted publicly. Banned persons, however, are routinely quoted in news articles in South Africa.

Mr. Sparks said the police seized audio cassette tapes, letters, messages relating to Mrs. Mandela, two pairs of scissors and his typewriter.

He said the search was part of a heightened government campaign to harass the South African domestic press.

"This has to be seen in the context of recent events," he said. He was referring to the secret trial and conviction of three journalists for

violating press laws in connection with reporting on South Africa's role in the abortive September 1981, and government action to prevent reporting of a speech in Parliament.

Mr. Sparks said a further reason for believing that the search about Mrs. Mandela was not the real reason for the police action was that it was published almost a year ago.

One of his most recent articles was on the government's efforts to tighten controls over press reporting.

The Foreign Correspondents Association of Southern Africa, of which both Mr. Sparks and Mr. Simon are members, issued a statement strongly protesting what it said was "outrageous harassment."

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Fears Voiced On Future of Soviet Jews

Emigrés Cite Threat As the Exodus Slows

Reuters
JERUSALEM — Seventy prominent Soviet Jews said Wednesday at an international conference that they feared for the existence of their community in the Soviet Union.

In a statement distributed at the conference, which is discussing the plight of Soviet Jews, they said: "Blacklisted by the authorities, Soviet Jews are locked inside a country where the population's anti-Semitic feelings have been stirred up by official propaganda over many years."

The 70 Jews, all of whom emigrated to Israel, added: "We feel the situation of Soviet Jews is such that their physical existence is threatened."

The conference was called to urge the Soviet authorities to allow the two million Jews in the Soviet Union to emigrate and to "halt the assault on Jewish culture and religion."

More than 1,000 delegates from 30 countries are attending the three-day gathering.

In Wednesday's keynote address, the chairman of the World Zionist Organization, Arieh Duzin, said Jewish emigration from the Soviet Union had almost stopped.

He said the number of Jews permitted to leave had reached the lowest level "since the exodus started."

"So far this month only 21 have left," he said.

In the 1970s, more than 250,000 Jews were allowed to leave the Soviet Union. At first most went to Israel, but toward the end of the decade more and more chose Western countries.

Conference organizers hope the gathering will revive the flagging campaign in the West on behalf of Soviet Jews.

Joseph Mendelovich, who spent 11 years in Soviet labor camps before being allowed to emigrate in 1981, said Western pressure could influence the Soviet leadership to ease conditions for Jews and increase emigration.

Other delegates said they feared that public campaigns might worsen the situation. A speaker from the United States said Yuri V. Andropov, the Soviet leader, should be given a chance to show what he might do. But this seemed to be a minority view.

Mr. Duzin said the authorities had singled out the Jewish activists Anatoli Shcharansky, Moshe Mende and Joseph Began for especially harsh treatment.

Justice Department Is Considering Interview With Barbie on U.S. Ties

The Associated Press
WASHINGTON — The Justice Department says it may interview Klaus Barbie as part of its investigation into whether the Nazi war criminal had any ties to the U.S. government.

On Tuesday, the Justice Department released records showing that Barbie had visited the United States four times in 1969-70 on a Bolivian passport.

Allan A. Ryan Jr., a Justice Department attorney, said Tuesday as he assumed command of the investigation that "we're very seriously considering" interviewing Barbie. He said a preliminary review of immigration files, public allegations

and U.S. Army Counterintelligence Corps files had established the need for a full inquiry into U.S. links with Barbie.

Barbie, 69, was captured in Lyons, France, from Feb. 1944. On Feb. 6, he was arrested from Bolivia, his haven since 1948, and returned to France, where he faces trial for crimes against humanity.

In the 1950s, he was arrested and sentenced to death in absentia by French courts for war crimes charges.

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U.S. Study Links Lung Cancer To Radiation in Cigarette Smoke

United Press International
WASHINGTON — Cigarette smoke apparently collects radioactive particles from the air and deposits them in the lungs, potentially cancer-causing hot spots in the lungs, according to a government-sponsored research report.

Edward A. Martell, a radiochemist at the National Center for Atmospheric Research in Boulder, Colorado, said he believed most lung cancer among smokers was caused by such radiation.

Nonsmokers who live or work around cigarette smoke also can develop "hot spots" in their lungs, he said, but the radiation dose is smaller.

Reporting in the March issue of the Proceedings of the National Academy of Sciences, Dr. Martell said previous studies looked separately at smoking and the effects of alpha radiation from indoor, airborne radon decay products.

Dr. Martell said his experiments, sponsored by the National Science Foundation and the Environmental Protection Agency, showed that the two were linked.

Tar particles in cigarette smoke, he said, pick up alpha radiation from the highly radioactive decay products of radon gas, which are also known as "radon daughters" or "radon progeny."



KISSER STRIKES AGAIN — José Moura, right, who is known in Brazil as "The Kisser" because of his attempts to kiss famous people, struck during the inauguration of Rio de Janeiro's new socialist governor, Leonel Brizola, left. After wrestling with the speaker of the assembly, center, he succeeded in kissing Mr. Brizola. Mr. Moura has also kissed Frank Sinatra and the feet of Pope John Paul II.

Pope Calls for Peaceful Solution To Injustice in Central America

By Brian Childs

VATICAN CITY — Pope John Paul II sharply criticized Wednesday foreign intervention in the Salvadoran civil war and repeated his call for a peaceful end to social injustices in Central America.

Speaking at his first general audience since his return March 10 from a nine-day tour of Central America, the pope also renewed his attack on attempts to superimpose political objectives on the "evangelical content" of the Roman Catholic Church.

His homily, delivered before an estimated 13,000 people, summed up the lessons he drew from the tour.

Referring to the mass poverty and elite wealth that he saw in the eight-nation journey, the pope demanded an end to inequality and denounced interference by foreign countries.

Central America's social and economic systems "are unjust and must be changed by adequate reforms," observing the principles of social democracy, the pope said.

Failure to promote social justice, he said, has caused the guerrilla warfare that has killed thousands of people in El Salvador alone.

"This warfare has been largely

conducted with the aid of foreign forces and arms furnished from abroad against the wishes of the vast majority of the population, who desire peace and democracy," the pontiff added.

Vatican sources said the pope's comments appeared to be directed equally against U.S. backing for the conservative Salvadoran government and communist support from outside the country for the leftist guerrillas there.

The pope also criticized the theology of radical priests who have disobeyed Vatican instructions by assuming political responsibilities. Latin American bishops meeting recently in Haiti sought to re-establish the pastoral and doctrinal identity of the church, he said.

"Multiple attempts to subordinate the evangelical content of the church to political ends are in contradiction with that identity," he said in reference to the popular church movement in Nicaragua.

Without mentioning Nicaragua by name, he also spoke bitterly of the disruption by supporters of the leftist Sandinist government of the Mass he celebrated in Managua.

"The church of the people of God shows its true face first of all in the adoration of the Eucharist," he said. "It is unthinkable that the

mystery of the Eucharist should be submitted to such a deformation as happened on one occasion. Such a deformation borders on organized profanity."

Looser Rules Worry U.S. Air Safety Chief

By Richard Witkin

New York Times Service

WASHINGTON — The head of the National Transportation Safety Board says he is deeply concerned that air traffic restrictions imposed when U.S. traffic controllers walked out 19 months ago are being relaxed too fast and that "we could have some accidents."

The official, Jim Burnett, said Tuesday that he did not intend to be alarmist and that there were no indications from incident or accident reports since the strike that the system had a safety problem.

"But," he added, "we do not have a good reporting system about operational errors, and we do not fully know what problems may be developing."

Mr. Burnett, chairman of the agency that investigates airline accidents, gave his views as the safety board discussed a draft report on the results of a recent staff survey of the air traffic system. The air control system is being rebuilt to the capabilities it had before the walkout and the firing of 11,400 controllers.

One of every three controllers in the survey said the U.S. aviation system was less safe than before the strike, according to the Aviation Consumer Action Project, a Ralph Nader group that has released survey results.

The draft is to be extensively rewritten before the report will be acted on by the five-member

board, officials indicated. But it was clear from the discussion that the report, as now written, gave evidence of numerous continuing complaints of stress and fatigue, inadequate reporting of near-collisions and poor management practices.

The Federal Aviation Administration, which operates the air traffic system, on Tuesday repeated its stand that it was rebuilding as quickly as possible but "without compromising safety."

Because of the abrupt loss of thousands of the most experienced control personnel, U.S. air traffic had to be severely restricted when the walkout began in 1981.

Currently running the system are about 6,000 qualified controllers, 6,000 trainees who have been mostly recruited and trained since the strike, and a fluctuating number of supervisors. There were about 16,000 controllers before the strike.

Conductor Defects From East Germany

United Press International

HAMBURG — The chief conductor at the Weimar Opera House in East Germany has defected to the West, friends said Wednesday.

They said that the conductor, Peter Guelke, 48, decided to stay in West Germany a week ago after a guest appearance at Hamburg's opera house.



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*From 24th April.

Meteorite Found in Antarctica Was Piece of Moon, NASA Says

New York Times Service

NEW YORK — The National Aeronautics and Space Administration has confirmed that a small meteorite found in Antarctica a year ago was a piece of the moon. It is the first time that the specific origin of a meteorite has been established.

The discovery, in confirming that objects from large bodies in the solar system can reach the Earth, reinforces the growing belief that a few other meteorites now under study by scientists have come from Mars. It proved that not all meteorites are derived from broken-up asteroids or burned-out comets, the presumed source of most rocky material that falls from outer space.

The greenish-brown meteorite, weighing one ounce (28 grams), approximately the size and shape of a golf ball, was apparently blasted off the moon by an asteroid impact there 100,000 years ago, the space agency reported. "It's clearly lunar," said Dr. Klaus Kiehl of the University of New Mexico.

The ratio of the elements iron and manganese in one of the rock's mineral components was found to be identical to lunar samples and quite unlike any other meteorites, Mr. Kiehl reported. Another study revealed that the amounts of 10 elements in the meteorite were virtually identical to a sample returned by the Apollo 15 astronauts in 1971.

Two meteorites found in Antarctica in 1979 contain geochemical evidence that they originated on Mars, but conclusive proof may not come until samples of Mars can be returned to the Earth by spacecraft.

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Herald Tribune

Published With The New York Times and The Washington Post

Good News From OPEC

OPEC has arrived, it says, at an agreement on oil prices and production. Whether this kind of bargain can hold together for more than a few months is a question that will hover over the oil markets. It is an intricate formula but more realistic than previous attempts, in the sense that it recognizes explicitly the crucial role of Saudi Arabia. The Saudis have dominated this whole process of cutting the OPEC price, and from their point of view the result, although it imposes substantial risks on them, is pretty much a success.

They have managed to bring the price down in a fashion that diffuses the blame and resentment among the oil producers. They have also managed so far to prevent the spiral of competitive price-cutting that promised real peril to all producers everywhere, in OPEC or not. The whole thing has been skillfully done.

At the beginning of this year OPEC was in desperate shape. A fierce price war was under way among its members. Spring was coming with another sharp seasonal drop in the demand for heating oil. Through much delicate maneuvering the Saudis prodded Britain to lead the price-cutting.

The last phase of the internal quarrel was over market shares. Everybody accepted the

idea of a limit to OPEC production. But who was to sell how much? As it has been resolved, the other 12 members have pledged themselves to fixed ceilings at a basic price of \$29 a barrel. The Saudis, it appears, will have no ceiling but will sell as much or as little oil as may be necessary to balance the market. They are gambling that at \$29 the world will want enough OPEC oil to keep them pumping at levels they consider acceptable.

Great tension is built into this agreement. It requires the Iranians to drop exports from the volumes of recent months while the Iraqis, with whom they are at war, are permitted an increase. Will Iran really cut back? Does that sound like the Iraqis? The Libyans are also supposed to cut production, but the same questions apply. The Nigerians get an increase, but less than they claimed to need for their staggering economy.

For OPEC the alternative was collapse. For the countries that import oil this agreement offers an important respite. For them the \$29 price means lower inflation, stronger currencies and more jobs. OPEC's agreement will not last forever, but as long as it lasts it is good news for the rest of the world.

—THE WASHINGTON POST.

Another Media Event

We have seen the brains blown from the skull of a Vietnamese, and a truck overturn near the Washington Monument when its driver got a bullet in his head. We have seen the sad man leap and the drowning man lose hold of the life preserver. And this month television viewers in Jacksonville, Alabama, saw a drunken man set fire to himself. The scenes were alike in their horror, but the last was different in one particular. Those who filed that blizz were not just witnesses to tragedy, they were also its stage managers.

Cecil Andrews, an unemployed roofer, called WHMA-TV four times on Friday, March 4, to say that to protest unemployment in America he was going to set himself on fire in the town square. The station's news director notified the police, who said they would handle it and that the station could send reporters along for a "free ride."

The police searched the square for nearly an hour, found no one and left. About 20 minutes later two television cameramen arrived to find Mr. Andrews staggering from wherever he had been and fumbling with a matchbook.

—THE NEW YORK TIMES.

Other Opinion

'Privately Mr. Begin Broods'

Menachem Begin kept silent for days as a doctors' strike threatened to disrupt Israel's health services. His comments in the Knesset, once long and discursive, are now short and perfunctory. He makes public appearances only rarely. His last on-the-record interview was in October. Those instances of uncharacteristic reticence express what is becoming known in Jerusalem as the Begin mystery. While his popularity remains high and his leadership is not seriously challenged, he has turned inward, and his inner drama could have important public consequences.

A series of hammer blows, both personal and official, preceded the withdrawal. Last November Mr. Begin's wife, Aliza, died after a long illness.

The period of mourning had hardly ended when the report of the commission on the Beirut massacre hit the government.

After Mr. Begin died, President Reagan sent the prime minister a note of condolence which spoke of welcoming him to the White House early this year, by which Mr. Begin understood February; subsequently the White House let it be known that as long as Israeli troops remained in Lebanon, the prime minister would not be welcome.

Privately Mr. Begin broods, and not even his closest confidants are sure about his state of mind. [Some] think he is gathering force for a final effort for a federation linking Israel and Jordan, with the West Bank subsisting in between as a genuinely autonomous polity linked to both neighbors. Others see him shutting himself inside a dream world.

—Syndicated columnist Joseph Kraft.

Interpreting Howe's Budget

[Sir Geoffrey Howe] is a chancellor who rejects the idea that fiscal policy can be used as a patent medicine. Now that the recovery has begun, albeit feebly, and confidence is returning, albeit slowly, his concern is to try to create the conditions for the long-term sustainable growth which has constantly eluded his predecessors in the past.

In what may be an election year and at a time when Britain has the smallest budget def-

icit in the industrialized world (by a considerable margin), the cynic might have expected a package of tax cuts designed to convince the voters that the hard slog was over. Instead Sir Geoffrey has done precisely the same as he would have done had he been a year into the government's second term, with a safe distance between himself and the electorate.

—The Daily Telegraph (London).

Sir Geoffrey Howe's dreary election budget rests on the assumption that more voters will thank the government for conquering inflation than will blame it for allowing unemployment to rise to above 3 million. His calculation is probably correct. Whereas rapid inflation hits everybody and brings governments down, unemployment affects only a minority. Those at work are 87 percent of the work force.

Two other political calculations would seem to underlie the budget, and indeed this government's consistent economic strategy. The first is that the British, with their Puritan streak, are prepared to regard a hair shirt as a surgical appliance which will help the economy to recover. The second is that the poor can be down-trodden with political impunity.

—Peter Jenkins in The Guardian (London).

Staffing the Supreme Court

In considering who should be president from 1985 until 1989, it may be useful to remember that whoever occupies the White House during these last years of the 1980s is likely to nominate a majority of the members of the Supreme Court. Five of the nine judges now on the court are 74 or older. Chief Justice Warren E. Burger and Associate Justice Lewis F. Powell Jr. are 75; William J. Brennan Jr. is 76; Thurgood Marshall and Harry A. Blackmun are 74, and it is fairly sure that two or six years from now they will be gone.

Accordingly, the next president — Ronald Reagan or whoever — will probably be able to influence, if not determine, the membership and philosophy of the court — if, like FDR, he appoints middle-aged people — for the rest of the century. These could be the most important and enduring decisions he will make in the span of four years.

—James Reston in The New York Times.

FROM OUR MARCH 17 PAGES, 75 AND 50 YEARS AGO

1908: London Fetes Nightingale

LONDON — The freedom of the City of London was presented to Miss Florence Nightingale. Owing to her advanced age, Miss Nightingale did not attend the Guildhall ceremony, and was represented by her nephew. The Council Chamber was filled. In the galleries sat nurses, representatives of nursing institutions, and schoolchildren, while several famous medical men had seats in the central space on the floor. Sir Joseph Dimsdale, in an address extolling Miss Nightingale's work, said, "She will live in the hearts of coming generations as an example of true nobility, of utter forgetfulness of self, as one who achieved unsurpassed triumphs in acts of love and charity to her fellow creatures."

1933: German Equality Urged

GENEVA — Urging revision of the Versailles treaty, so as to give Germany progressive equality with the victor nations in the World War, Prime Minister Ramsay MacDonald confronted the Disarmament Conference with its first draft convention, listing specific reductions with ratios of strength. The time has come to end discussion of petty details, said the British premier in one of the great oratorical efforts of his career. The French and Germans should agree to study a "balance sheet of the risks" they must assume in reducing armaments on the one hand and assuring security on the other. "Either Germany must be given justice and freedom, or Europe will risk destruction," MacDonald declared.

About the United States and El Salvador

For Shunting Aside the Murderers

By Flora Lewis

PARIS — Two years ago, then Secretary of State Alexander Haig proclaimed El Salvador a "major test of East-West relations." The murders have continued. Nothing much has changed in the tortured country, except that the rebels seem to be better organized, trouble has spread throughout the region and extremists have dug in on both sides.

At U.S. insistence, elections were held last year. The turnout in wartime-gratified those who say the guerrillas lack popular support, but the vote only strengthened the hard right and brought peace no nearer.

Now, again with U.S. pressure, the Salvadoran government has advanced elections for the president and assembly to December this year. Washington argues that this will promote democracy and a political solution. Secretary of State George Shultz maintains the policy against government-rebel negotiations on grounds that guerrillas "should not be allowed to shoot their way into a power-sharing arrangement," but must rely on the ballot box.

The Reagan administration is less than candid. Two years ago senior officials acknowledged privately that reconciliation could not be expected until both sides were forced to the conclusion that they could not possibly win the war. It might take seven or eight years, it was said then, and that estimate remains.

Although he claimed "substantial progress" for democracy and against communism in recent testimony to the House, Assistant Secretary of State Thomas Enders came closer than before in admitting this expectation of endless fighting and carnage.

He pointed out that the guerrillas' main units now have the military capability of a regular army and can continue to wreak havoc on the economy. "This is what their strategy of guerrilla prolongation is all about," he said. "We must demonstrate that we, too, can persevere."

There is no reason to think the demand for 1983 elections is based on a belief that they will settle anything. More likely, the vote is an attempt to persuade the U.S. Congress and the public to support more U.S. aid.

But aid won't bring any more decisive results than elections. It will simply keep the war going. The alternate proposal of negotiations between government and rebel forces, however, is probably as much of an illusion as the "substantial progress" that Mr. Enders reported.

Vietnam, Cambodia, any number of places should have taught us by now that die-hard opponents, seeking total power by force, do not negotiate and abide by compromise.

Gabriel Zaid, an astute Mexican observer of the tricky underside of Salvadoran politics, has a better suggestion for making a moderate solution possible. His analysis is also two years old, but time has only confirmed his insights and predictions.

Writing in the Mexican magazine Vuelta, edited by the liberal Octavio Paz, Mr. Zaid documented his thesis that the real struggle in El Salvador is dual, for control of fluid coalitions on both the revolutionary and the government sides.

"Those on the top cannot agree about how to treat those on the bottom," he says. "This is the conflict that makes Salvadoran blood run."

Less intransigent, less power-hungry people have wavered from side to side in the long battle that began with establishment of the People's Revolutionary Army in 1970, a group of former not of Communists but of "radicalized Christians from the petite bourgeoisie." The determined fighters are a tiny minority who have not hesitated to murder their own comrades in their effort to stay on top, on both sides.

The slaughter began, Mr. Zaid notes, as their way of putting pres-

sure on the conciliators precisely to prevent any political compromise. "The true question for now," he says, "is how to get those who believe in violence out of the picture. Each acts to provoke the others."

Those responsible... are the leaders who cannot agree among themselves; in particular, those who believe in violence, both in power and in the opposition; and of these, above all the ones in power."

But it is impossible to purge the bloodthirsty. The momentum of war, driving but certainly not driven by the many people who yearn mostly for peace, congeals each side and forces it to tolerate its own monsters as the lesser evil to disunity.

It is futile to suppose that either

military or revolutionary justice can remove these people who are committed to armed struggle. The gesture of an occasional investigation is empty, to placate North Americans — not a step in a fruitful direction.

Yet until the murderers are gone there is no chance of moving toward democracy and reconciliation. Mr. Zaid proposes a traditional Latin American way to get rid of them.

"Grant them a kind of amnesty in exile, to get them quickly out of the country, even give them money to make it possible. At that point, equal terms could be offered to those guerrillas willing to accept such terms. A pact could be sought with the political opposition, disconnecting it from the armed opposition."

Then elections could have a meaning, and El Salvador some hope.

The New York Times.



Munich and Dominoes Are Irrelevant

By W.M. LeoGrande

WASHINGTON — The Reagan administration has resurrected the domino theory. If El Salvador falls, so goes the ominous warning, the reverberations will topple governments from Panama to Mexico.

How has this metaphor, so discredited in Vietnam, once again managed to capture the imagination of U.S. policy-makers? One reason is its political usefulness. As many of Mr. Reagan's Central American team first learned in Southeast Asia, the domino theory is indispensable for justifying a major military commitment in a small country of little strategic or economic importance.

But the domino theory is more than a convenient slogan. It was born in the 1950s when U.S. foreign policy was preoccupied with the Munich syndrome — the belief that aggression begets aggression.

Derived from the relations among the Powers in Europe, this doctrine was foolishly recast to guide U.S. policy toward a Third World in the throes of decolonization.

The logic of the domino theory, and the Munich doctrine behind it, assumes that wars result from international aggression that can be deterred by firm military response.

Revolutions, however, are fundamentally internal affairs that release in one momentous shudder the social, economic and political pressures accumulated over decades of inequality and dictatorship. They do not engulf healthy societies.

Because it has nothing to say about the internal conditions, the domino metaphor is useless for predicting revolution. Outside pow-

ers may seek to promote or manipulate revolutions, but outsiders always have less influence than they expect.

The revolutions in Central America did not begin because Washington somehow appeased the revolutionaries or their outside allies, and revolutions are not deterred by resolve to stand firm against them. The Munich doctrine and domino theory are irrelevant to these conflicts.

Captives of our own metaphor, we forget that guerrillas were fighting in the Guatemalan highlands when Fidel Castro was still in law school.

El Salvador's revolution is younger, but it began in earnest in the mid-1970s when Cuba was engaged not in Latin America but in Africa. The insurgent alliance of Social Democrats and Marxists was forged not by Cuba but by the transience and brutality of the Salvadoran military regime.

In Nicaragua, the whole populace rose up against the greedy Somoza dynasty. Cuba's role was negligible, and Nicaragua's ties to Cuba today are as much a product of Washington's hostility as of the Sandinistas' affinity for Fidel Castro.

The error of North America's Eurocentric vision is clear to Mexico, which the White House casts as the ultimate domino. The Mexicans are less afraid of revolution in Central America than they are that U.S. policy will produce regional war.

Mexico pleads for negotiations — but in Washington memories of Munich warn that compromise is ap-

Against Fastidiousness

By George F. Will

WASHINGTON — The photograph of the author on the dust jacket — a black dust jacket, with the title in striking white: "Salvador" — shows a wraith-like woman wearing enormous sunglasses and looking away, as though the world causes her to avert her gaze.

Joan Didion has written haunting novels and essays about marginal, disaffected people. Last June she spent two weeks in a country that she or Graham Greene could have dreamed up for a novel about life in extreme situations. The result is a book that shows how hard it is going to be to do what we must do: Think about El Salvador.

El Salvador's history, she says, with nice understatement, "resistant to heroic interpretation." There is no

reversed liberator, and public statues tend toward representation of abstractions, such as winged liberty or the spirit of revolution. It is, she says, a history "devoid of shared public purpose or unifying event, a record of insensate ambitions and their accidental consequences."

The texture of life, with its endemic apprehension, is suggested by this fact: The verb *desaparecer* (disappear) is both transitive and intransitive, and persons speaking English in El Salvador are apt to say, "Jones disappeared at the hotel," or "The government disappeared the students." There is, Miss Didion says, a local vocation for violence.

Some priests and nuns in the countryside tell her there are fewer bodies around since the spring elections. But then they begin reminding each other of various bodies, and the toll mounts. "They spoke of these bodies in the matter-of-fact way that they might have spoken in another kind of parish, of confessions, of marriages, or cases of crop." But things could be worse. They have been.

General Martinez, dictator between 1931 and 1944, conducted a cautionary massacre in 1932, killing between 6,000 and 30,000. His grandson says, "It was sometimes strange — sometimes?" — going to stand with boys whose fathers my grandfather had ordered shot."

At present, the writer concludes cynically that no one could be unequivocally convinced that American interests lay on one side or another. But the book is a report of an acute sensitivity to the horror of the place; it is not a policy paper.

It will, I suspect, arouse in the normal reader an understandable impulse to avert one's gaze. Still, writing is a useful impediment to a certain kind of cheerfulness. The terrible U.S. democracy is in constant danger of auto-intoxication at the result of the reiteration of phrases about "nation-building" and "cent democracy." Delirium is encouraged by the required certification of El Salvador's human rights progress every six months so that other U.S. aims can be pursued.

But books such as this — a reaction of revulsion, visceral yet controlled, in response to savagery on all sides — can weaken the tenacious hold Americans have on this truth: There are national needs, such as the need to prevent the multiplication of Cuba, that are important regardless of the nature of the country we must keep when pursuing them. Fastidiousness is a virtue in literature and an impossibility in politics.

The Washington Post.

Comment in Brief

Buying Time Has Been Expensive

SAN SALVADOR — Two or three years ago, when a different cast of characters was running the U.S. Embassy here, a ranking diplomat was leading a visitor down a corridor adorned with photographs of previous ambassadors. "What you're looking at are some of the reasons we're in the mess we're in down here," he scornfully said. "They all came to this place with one goal, one mission: Don't lose El Salvador during your tour of duty. Whatever you do, just hang on."

Buying time, which has governed U.S. policy in all of Central America, resulted in the late 1970s in a severe institutional crisis. Decades of neglect, in addition to raw anti-communism disguised as foreign policy, helped to produce a revolutionary upheaval that U.S. policy-makers apparently became aware of only at the last minute. So crisis management became the principal form of U.S. diplomacy in the region.

Today the continued military response to a complex social-political-military problem is meant to ensure that El Salvador will not be lost during this administration's tour of duty — regardless of the cost.

—Juan M. Vasquez in the Los Angeles Times.

What Good Can Military Aid Do?

BOSTON — Treating El Salvador as the front line against Soviet communism is inappropriate. Every student of the place says that the war has indigenous origins in a long history of economic tyranny and political oppression by a small ruling oligarchy. Of course the rebels are cheered on by Cuba and Nicaragua and have had help from there. But the Reagan administration's claim that a flow of foreign arms to the rebels is the main problem is dismissed by informed people.

In all these years not one soldier, not one official has been convicted of a single one of the thousands of murders. Last month it was reported from a place called Las Hojas, where Indian peasants run a farm cooperative, that soldiers were said to have shot 18 peasants, including two children. The farmers accused landowners of organizing the killing. The government said it would investigate.

What can U.S. arms and advisers accomplish in a country like that?

The growing feeling in the U.S. Congress is that political negotiations are the only way out of the El Salvador quagmire.

—Anthony Lewis in The New York Times.

Such 'Dominoes' Fall Unassisted

WASHINGTON — President Reagan is invoking the "domino theory" in his appeal for additional U.S. military aid. Should the Salvadoran regime fall to the insurgents, he warns, the other countries of Latin America will topple like a row of dominoes. The image is cockeyed. It is undeniable that Communist-led rebel movements threaten El Salvador and the rest of Latin America. A revolution could even engulf Mexico, creating a hostile government on the U.S. border. But if countries are infected it is not simply because the virus is spreading. Like people, they contract the disease because they are weak and run-down.

Many of the Latin regimes being underwritten by U.S. assistance are inept, corrupt oligarchies without the faintest notions of social justice. Communism preys on the hunger of populations for change. Greed, not power the Communists can be as bad or worse. But the reality of these repressive practices is irrelevant to the poor here and now.

So if the dominoes topple it is not because they are pushed by the long arm of Moscow or Havana but because they are wobbling for internal reasons and would probably fall even without a nudge from the outside.

—Syndicated columnist Stanley Kunitz.

The Planned Elections Won't Help

CAMBRIDGE, Massachusetts — The U.S. effort to have Salvadoran elections held at least three months before the originally announced date of March 1984 is ill-advised. There would likely be either another victory for Roberto d'Aubuisson's "killer right," or such a narrow fraud with tension and accusations of fraud that the democratic process would be the major loser. In either case, the d'Aubuisson faction, with its relentless scorn for human rights, would be the major beneficiary, and that would render negotiations even less likely than now.

An electoral exercise will be possible in El Salvador only after the parties to the conflict have engaged in dialogue. The conditions for that include a cease-fire, international supervision and a guaranteed of the safety of all participants.

—Martin Diskin, professor of anthropology at the Massachusetts Institute of Technology, writing in the Los Angeles Times.

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SCIENCE

Man and Imperiled Gorilla In Rwanda's Dense Jungle

By Alan Cowell

VIRUNGA MOUNTAINS—The guide high in the mountains bordering Rwanda and Zaire motions to the members of his small group to be still. Rare and endangered mountain gorillas, which are capable of crushing a human skull with a single bite of their large jaws or of easily breaking a neck with arms that span seven feet, have been sighted in a clearing in the thick jungle.

The guide emits a kind of long, rolling belch. He is, in deference, using ape language, and he is signaling peaceful intent.

The group has trekked through mud slides, bamboo thickets and clumps of wild tea and rough grass to make a passing acquaintance with a relative from further back on the evolutionary time scale. The paths before them pattered out have been steep and slick, the nettles aggressive and the heat has been enveloping. Now the moment has come.

The group must close up, for the gorillas, who do not like to be surrounded, prefer to see their visitors all at once and in one place. They sit in an open space on the other side of a treacherous ravine. Grunting and belching, the guide moves forward, down and then up the sides of the ravine, crouching on his haunches and ordering the visitors to do the same. These primates do not like to feel threatened by the physical size of their visitors, so the humans try not to seem taller than they. And it is difficult to look the gorillas in the eye for long without angering them.

The gorillas' leader, known as Ndume by scientists studying the endangered species, is a 12-year-old silverback, as mature males are called because of the white hair on their backs. Ndume once lost a hand in a poacher's snare, leaving him less powerful than rival peers from other groups. A few weeks ago, other silverbacks came and took his females away, so there are only males in the group now. There is a baby, too, whose mother has died, so Ndume has his own single-parent family and tends the little one.

When the chips are down, humans are certain to value their own survival above that of the 240 remaining mountain gorillas who lumber and loll around these upper jungles. (Another 120 gorillas have been reported 25 miles farther north in Uganda, in the Bwindi forest area. But there is some confusion among scientists as to whether they are of the same mountain-gorilla species. A 1979 study by researchers from Cambridge University, for example, listed them differently, as *Gorilla gorilla beringei*.)

But since the chips are not yet down, and humans still have the luxury of choosing, the gorillas still have a claim of protection, particularly from those greed-fueled folks who would poach them, like the people who lopped off Ndume's hand.

Gorilla hands or feet can be removed by the poachers and sold for ashtrays or souvenirs. Severed skulls are sold as well, and on occasion, entire families are slaughtered, except for the babies, who are stolen but whose chances of survival beyond their half-light, verdant world are nil.

In 1960, there were 450 mountain gorillas living here, among the extinct volcanoes that form one of Africa's most spectacular and least controllable borders. Human encroachment has reduced their num-

In African jungle, a young mountain gorilla, who has become used to humans, rests hand on the lap of a Rwandan guide.



Alan Cowell, The New York Times

bers, and the question now is how much longer, and by what means, the gorillas will be able to survive.

It is, perhaps, the region's most dramatic territorial joust between humans and animals, for Rwanda, a tiny country the size of the state of Maryland, at Africa's landlocked heart, is the continent's most densely populated nation, and its growth rate of more than 4 percent a year means that its population will double, from 5 million to 10 million, in the next two decades. Those people will need land. And part of the land they want is now home to the gorillas.

The contest has other dimensions, too. The area where the gorillas live, chewing away their days on wild celery and other greenery, is Africa's oldest national park. In the colonial era, it straddled the frontier between Zaire and Rwanda, then Belgian possessions. Independence has brought disparate fortunes and styles to the two nations; these days it is generally acknowledged that while the Rwandans are making the effort to combat poachers, the Zairians are not.

According to conservationists, the gorilla population has stabilized over the last two years because of Rwandan efforts to control poaching. But last November a group of poachers, thought to be Rwandans, attacked a gorilla family to steal a baby. At least one of the silverbacks was killed; a Rwandan guide says the toll was higher, but neither foreign conservationists nor Rwandan officials are prepared to discuss the incident, lest anyone should come to believe the great primates are being neglected.

Of the 120 gorillas who usually live on the Rwandan side of the border, about 25 have become accustomed to human contact. For three years, foreigners have been running a gorilla project, combining conservation and anti-poaching efforts with a limited and con-

trolled program of tourism that is designed to bring in revenue and to allow visitors to approach the huge black apes in their natural habitat. That is the only way to see them at close quarters, for the mountain gorilla has never survived in captivity. No zoos for these citizens of a primeval past.

The visitors nudge nearer, on all fours, the guide still grunting a greeting of benignity. At first, Ndume seems indifferent, leaving younger males to cavort for the group, with much thumping of chests, gnashing of teeth and mock battling, chasing one another up the dense walls of the ravine, then rolling down again, locked in a wrestler's hold, back into the hot and humming fly-filled glade.

Suddenly, Ndume makes his move, an electrifying moment.

He stands on his hind legs and lumbers across the glade to investigate. Like people hoping a well-meaning intrusion doesn't suddenly turn into a barroom brawl, the visitors cast their eyes down. Ndume seems relaxed and lies on the ground within touching distance.

The guide, as if he were the group's own silverback, speaking for this strange group of aliens, grunts, and Ndume grunts back. He is snooty and big, very big. His face is coal-black and velvety. And the grunt he makes seems to well up from great depths, betokening his 350 pounds of raw, latent power. A man might look at Ndume and he would look back, and the man would acknowledge to himself that, if it came to it, there would be no contest. Ndume knows this, too. He does not have to assert himself; there is no challenge.

Yet if tourists can come this close to the nonaggressive giant, so, too can the poacher, who presumably also grunts and belches his way into favor, but then attacks with spears and gun. Not far off sits a Rwandan game guard, with an automatic rifle, protection against the poachers.

The habituated groups, at least, should be safe. Their progress is charted daily, and their whereabouts are known. In this family, Ndume reigns supreme. The group contains another big male, Mikoo, but he is not yet mature enough to have the silver band across his back. He sits a little aside, offering no challenge. When the boisterous youngsters become too violent in their play, Ndume utters three short grunts. Immediately they end their fray and signal acquiescence by making the same "peace" grunt as the guide. One young male, with casual familiarity, flops down beside the guide and rests a hand on his lap. The guide grunts and the gorilla looks at him with apparent fondness.

Ultimately, they may all die out, these gorillas, victims of advancing civilization, or of cruelty, greed or perhaps just evolution. Even as the tourists sit among them, the sounds of the villages below the mountain drift through the creepers and lianas of the rain forest, drums and songs and music. Humanity is not far off, and, in the tradition of the society down there, the elders provide the young ones with land. Soon, there will not be enough land, valuable for crops and as a source of wood, to go around.

The United Nations Environment Program wants to designate the park and its environs an area for special conservation. And, according to Jean-Pierre van der Beck, director of the mountain gorilla project, Zaire has recently shown signs of interest in improved policing against poachers on its side of the border. Money, however, is short, and the mountain gorilla project is a shoestring operation.

The apes, meanwhile, go their own way, driven higher up the mountains into colder regions where some have caught pneumo-

Studying the Chemistry of Joylessness

By Abby Avin Belson

New York Times Service

NEW YORK—It's not a matter of being miserable, necessarily, but rather an inability to be happy, an inability to have fun on a vacation, to be exhilarated by a personal triumph, even to enjoy common sensual pleasures.

Though such joylessness has had a scientific name—anhedonia—for nearly a century, it has not been well understood. The term itself was coined in 1897 by a French psychologist, Théodule Ribot, who used it to refer to "an insensibility relating to pleasure alone," in contrast to analgesia, an insensibility to pain.

Now a growing number of scientists suspect that at least some victims of anhedonia suffer from a shortage of chemicals that the brain normally releases during the experience of pleasure. Moreover, they suggest that studies of the chemistry of joylessness may lead to better treatments for addiction and depression.

Low pleasure capacity has been attributed to many factors: genetic predisposition or drug use or terrible experiences. It has been reported, for example, in Holocaust survivors.

Anhedonia is not listed as a disorder in the diagnostic manual of the American Psychiatric Association. Instead it is regarded as a symptom of several disorders. Whether anhedonic people without other known problems are "mentally ill" is open to argument.

Some authorities, like Dr. Paul Meehl, a psychologist at the University of Minnesota, think there are people who are not emotionally ill, but find life difficult because they can't balance unpleasant experiences with pleasant ones. As a symptom, however, anhedonia is seen in schizophrenia and in some but not all people suffering from depression. According to Dr. Donald Klein, director of the Department of Therapeutics at the New York State Psychiatric Institute, the difference between anhedonia and depression is that while anhedonics sense no joy, not all of them suffer from the feelings of deep sadness or the eating and sleeping disturbances that mark depression.

Some anhedonic people don't realize they are missing anything. Others do. Lorie, a 17-year-old hospitalized for addiction to both stimulant and sedative drugs, describes a sense of boredom during drug-free periods. "Things would look like fun but after a few minutes I'd want to try something else," she recalls. "When I hang out with my friends, I know I should be enjoying myself because everyone else was. When

other people are having fun, you say 'How come I can't?'"

Some evidence that a good time involves brain chemicals comes from experiments by Dr. Aryeh Routtenberg of Northwestern University. In the mid-1960s, Dr. Routtenberg showed that rats would give up food for the chance to press a treadle delivering electrical stimulation to a brain area that produces the substances norepinephrine and dopamine, two of the neurotransmitters that carry messages between nerve cells. Both chemically resemble amphetamines.

In work reported last year, Dr. Routtenberg and a graduate student, Tim Collier, showed that when rats were given the opportunity to stimulate an area in the part of the brain known as the hippocampus they also did so readily. But this time their self-stimulation was less intense, more relaxed. The brain region was one where opiumlike substances called endorphins appear to be produced.

Some believe the chemical basis of anhedonia can be dangerously overemphasized. Dr. Aaron T. Beck, director of the Center for Cognitive Therapy at the University of Pennsylvania, says, "It is simplistic to make a dichotomy between the psychological and biological component of inability to achieve pleasure, since one can't exist without the other. By limiting the approach to a single concept, people are throwing away all the psychotherapeutic actions as well as the possibility of using drugs and psychotherapy together."

Still, the concept that some people lack the chemicals to be happy has contributed to the study of addiction. For years, doctors have known that long after recovery from acute withdrawal symptoms, patients complain of feeling emotionally flat. Shortly after the discovery in the mid-1970s that the brain produces its own opiates, studies began to suggest that external opiates, such as heroin, lower the body's internal supply.

Two recent experiments have provided preliminary evidence that methadone, a drug used to treat opiate addiction, also lowers endorphin levels for six months, sometimes 12 months, after the methadone has been stopped. "Because methadone depletes the supply of natural chemicals, it may increase the odds for relapse," said Dr. Mark Gold, director of research at Fair Oaks Hospital in Summit, New Jersey, a center of endorphin studies.

Stimulant drugs and alcohol are also suspected of lowering natural pleasure chemical levels. A small study at the National Institute of Men-

tal Health last year showed increased endorphin activity after the equivalent of one drink.

It is also suspected that in some addicts anhedonia may be a cause rather than a consequence of drug abuse. Dr. Donald Sweeney, clinical director at Fair Oaks, finds that some former addicts who complain nothing excites them admit the same was true before addiction.

Such suggestions have encouraged researchers to investigate addiction treatments that do not suppress the endorphins. In 1981, Dr. Gold showed that nonopiate drugs that prevent the release of norepinephrine can be substituted for methadone to treat acute withdrawal.

Researchers hope to find treatments that actually stimulate endorphin production. One approach being studied at Fair Oaks is transcutaneous electrical neural stimulation, or TENS, which provides a painless electrical charge at some of the skin sites used in acupuncture. The treatment is thought to trick the brain into releasing soothing opiates, as it normally does in cases of genuine pain.

In another disorder, depression, studies of anhedonia offer hope of helping doctors to distinguish between different types of depressive illness and to choose the most effective treatments for each. Dr. Klein believes there are two kinds of anhedonia. One is a pervasive joylessness in which even the satisfaction of drives like hunger and sex brings no rewards. The other is loss of satisfaction in such activities as social interaction, involving the active pursuit of pleasure.

The two types of anhedonia, Dr. Klein has found, correspond to different types of depression. Total anhedonia accompanies the severely depressed states that often run in families and have been linked to shortages of the neurotransmitters norepinephrine, dopamine and serotonin. According to Dr. Klein, patients suffering from melancholia, a subtype of depression marked by the absence of pleasure, respond better than other depressives to the drugs called tricyclic anti-depressants.

Researchers at Chicago's Rush-Presbyterian-St. Luke's Medical Center developed a pleasure scale on which depressed patients rated themselves, and found groups similar to those identified by Dr. Klein.

Dr. Jan Fawcett, one of the Chicago researchers, said: "We believe these scores can be used to identify people who are vulnerable to depression. We seem to be measuring a biological characteristic, like blue eyes, that doesn't change."

"Punctuality is the virtue of Kings."

Old German Proverb



Thinning Ozone Layer Threat to Wheat, Rice

By Frank Adams

Reuters

GAINESVILLE, Florida—Two of the world's most important food crops, wheat and rice, could suffer if the ozone layer around the earth continues to shrink, according to a study by scientists at the University of Florida.

The layer is a slice of the atmosphere that filters out ultraviolet light before it reaches the earth's surface. Scientists fear aerosol sprays using fluorocarbons, now rarely used in the United States but common elsewhere, may be depleting the layer. The U.S. National Academy of Sciences has said it could decrease by 8 to 10 percent by 1990.

Patricia Webb, co-author of the University of Florida study, said that for every 1 percent decrease in the ozone layer, the intensity of ultraviolet light reaching the earth increases 2 percent in the southeastern United States and similar latitudes.

In their research, funded by the Environmental Protection Agency, Dr. Webb and Professor Hilton Biggs bombarded five major crops with ultraviolet light. Soy, corn and citrus were not affected. But crop yields in strains of soft wheat and upland rice were reduced by up to 15 and 50 percent respectively.

Dr. Webb said nuclear war could also do serious damage to the ozone layer and her study would help show civil defense planners what might happen to crop production in the aftermath.

The closer to the equator, the thinner the ozone layer and the stronger the ultraviolet light. So the team wanted to know how crops from temperate areas would grow in more tropical latitudes.

Professor Biggs said: "I'm pretty much convinced that the germ plasm of soybeans varies tremendously in response to ultraviolet light. . . . If we want to move soybeans back to the tropics, where they came from, we will need to incorporate a germ plasm that can withstand a high level of ultraviolet." The team intends to screen about 70 different crops for ultraviolet light susceptibility.

The wheat subjected to an increase of ultraviolet light became more susceptible to the wheat rust fungus, the scientists said.

All the wheat in their field experiment was inoculated with rust spores. Only 35 percent of the wheat receiving normal sunlight caught rust, but about half of the plants subjected to a 23 percent increase in ultraviolet showed symptoms of it. Yields fell 10 to 15 percent.

A separate study by a second team at the university has concluded that carbon dioxide, also present in the atmosphere, might have a beneficial effect on soy. The team leader, Hartwell Allen, said that when they raised the carbon dioxide level by 36 percent, soy plant yields went up 20 percent. When the amount of gas was more than doubled, the plants produced up to 50 percent more beans.

Atmospheric levels of carbon dioxide have been increasing since the Industrial Revolution, as man burns up fossil fuels. Dr. Allen said the level was now 20 percent higher than in 1860 and 10 percent above 1958. But the beneficial effect on soy yields, however, is more than outweighed by the possible harm of a carbon dioxide buildup.

Lufthansa
German Airlines

THURSDAY, MARCH 17, 1983

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WALL STREET WATCH

By EDWARD ROHRBACH

Emerging Growth Stocks Fly
A Volatile, Profitable Course

Emerging growth stocks, high-flying performers since Wall Street's last off-peak last August, are continuing to orbit well above the rest of the market.

Dean Witter's emerging growth stock group — now 30 issues — rose three times as much as the Standard & Poor's 500-stock composite in February, and in the seven months since August, the stocks have soared 101 percent, more than 2.5 times the 38-percent gain for the S&P 500.

Half the stocks in the group have doubled in price during that time — none has gone down — with SCI Systems, up 173 percent, leading the pack. On its heels are Microm Systems, Policy Management Systems and Sensormatic Electronics, all with gains of more than 150 percent.

However, William J. Ritter, Dean Witter's analyst of emerging growth stocks, warns that the group's high volatility works both ways. During the June-September 1981 market slide, the 20-percent decline in the price of the group far exceeded the 12-percent drop in the S&P 500, he noted.

"If your goal is to get rich, this is the way to do it. Big companies are not rapid growers."

Yet he maintains that the group's fundamentals remain very strong. "Earnings should outperform those of the S&P 500 in all economic environments," he said.

"During recession year 1982, when the 500's earnings dropped about 12 percent, this group's earnings grew an estimated 29 percent."

For 1983, during the expected recovery, he projects that the group's profits will be about twice those of the S&P 500 and, during the next five years, nearly triple.

Mr. Ritter called the financial positions of the group solid, noting that long-term debt averages only 9 percent of total capitalization, compared with an estimated 40 percent for the 500. Furthermore, he said, the managements are well regarded and the companies have relatively few political, regulatory or foreign risks.

"Although the stocks' current yields are well below those of the 500, and their prices are highly volatile and subject to sharp setbacks in market corrections, valuations on the stocks still appear to be conservative."

"Even though one must pay a premium P/E on projected 1983 earnings for the emerging growth stock group, the premium is not nearly high enough to equate expected returns from the two groups. If the S&P 500 were to sell in 1988 at a P/E 10 times that year's earnings, it would have to be appreciated by 80 percent."

"If the emerging growth stock group is able to maintain a P/E premium — as it should, given the group's superior earnings performance — its price rise should be far higher. The group would have to jump in price 151 percent to sell at 15 times projected 1987 earnings, 735 percent to sell at 20 times, and 319 percent to sell at 25 times. And certain of the individual stocks would do much better than the group as a whole."

Asked why emerging growth stocks, despite their spectacular performance, still lacked widespread appeal, Mr. Ritter said that there was a "public misconception" about the stocks' speculative nature, and that many investors emphasize what they perceive as preservation of capital.

"But if your goal is to get rich, owning these stocks is the way to do it," he asserted. "Big companies are not rapid growers."

Another factor in the market's neglect of growth stocks, he said, is that large institutional investors dominate Wall Street now and the relatively modest market value of emerging growth stocks (two-thirds are listed over the counter) makes them unacceptable as investment vehicles.

Quotron a Top Choice

Mr. Ritter said purchasers of these stocks fit mainly in three groups: 1) sophisticated individual investors, 2) special funds broken off from bank and pension investments and 3) small money managers bent on achieving high performance in their portfolios.

He said another thing that apparently puts investors off is that no stock on Dean Witter's emerging growth list sells for less than \$20 a share, relatively expensive for OTC issues.

"It's because so many of them have doubled and tripled, at least," he said. "Quotron, for example, is up 700 times — not percentage points — in the last six years."

Quotron Systems remains a top choice for Mr. Ritter, along with Network Systems. Other stocks in the top five are NBI, Newport and Safeguard Business Systems. Rated just behind them are SCI Systems, Microm Systems and DEA. Two stocks added this week are Matrix and Systems & Computer Technology Corp.

This "ten best bets" portfolio gained 22 percent in the first nine weeks of 1983. Mr. Ritter noted, against an S&P 500 advance of 9 percent.

Morgan Stanley is less cheery about the group. Using as an index the T. Rowe Price "New Horizons Fund," a \$1-billion portfolio invested in 150 emerging growth stocks, Dennis G. Sherva, analyst at Morgan Stanley, notes that the fund's relative price/earnings ratio has recently grown to double that of the S&P 500.

"Therefore, when in a rising, ebullient market emerging growth stock prices rise to a level where they fully discount their superior fundamentals, the game is usually about over," he said.

International Herald Tribune

CURRENCY RATES

Interbank exchange rates for March 16, excluding bank service charges.

	\$	DM	FF	Y	HK	SG	JP	SE	DK
London (a)	2.693	3.94	11.00	26.30	0.1071	5.675	128.97	30.78	30.78
Frankfurt (a)	46.75	70.43	19.58	4.622	3.215	17.295	22.795	5.48	5.48
Paris (a)	2.86	3.94	11.00	26.30	0.1071	5.675	128.97	30.78	30.78
Geneva (a)	1.57	2.17	6.15	14.55	0.531	11.645	29.25	7.27	7.27
Amsterdam	1.4195	2.1780	6.145	14.54	0.531	11.645	29.25	7.27	7.27
New York	1.258	1.745	5.04	11.64	0.471	10.274	26.81	6.81	6.81
Porto	1.258	1.745	5.04	11.64	0.471	10.274	26.81	6.81	6.81
Stockholm	2.052	2.892	8.15	20.15	0.744	17.40	4.01	23.95	23.95
ICU	0.846	0.833	2.446	4.501	1.346	2.549	4.507	1.556	1.556
1500	1.0177	0.7233	2.057	4.513	1.347	2.552	4.512	1.557	1.557

Dollar Values

	U.S.	DM	FF	Y	HK	SG	JP	SE	DK
100	1.0000	3.36	4.84	13.76	0.0746	3.76	103.76	24.63	24.63
1000	10.0000	33.60	48.40	137.60	0.7460	37.60	1037.60	246.30	246.30
10000	100.0000	336.00	484.00	1376.00	7.4600	376.00	10376.00	2463.00	2463.00

Source: Reuters. 1/1983 Irish L.

For Commercial (b) (c) Amounts needed to buy one pound (£) Units of 100 (d) Units of 1000

INTEREST RATES

Eurocurrency Deposits March 16

	Dollar	DM	FF	Y	HK	SG	JP	SE	DK
1M	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
3M	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
6M	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
1Y	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4

Key Money Rates

	U.S.	DM	FF	Y	HK	SG	JP	SE	DK
1M	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
3M	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
6M	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
1Y	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4

Source: Reuters. 1/1983 Irish L.

For Commercial (b) (c) Amounts needed to buy one pound (£) Units of 100 (d) Units of 1000

1/1983 Irish L.

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For Commercial (b) (c) Amounts needed to buy one pound (£) Units of 100 (d) Units of 1000

Prices
Decline
On NYSE

Compiled by Our Staff From Dispatches

NEW YORK — A final-hour burst of selling pressure in oil and technology issues pushed prices lower on the New York Stock Exchange Wednesday. Volume rose from recent days.

The Dow Jones industrial average, which was higher most of the day, closed at 1116, off 8.52 points. Volume rose to 83.6 million shares from Tuesday's 61.8 million.

Losing issues led gains among eight to seven among the 1,509 issues traded.

The government said Wednesday that U.S. housing starts were up in February, rising 2.9 percent to a seasonally adjusted 1.75 million units. The report came as a pleasant surprise to some economists who had expected a drop.

In another positive report, the government said factory utilization was up again in February.

The stock market, which had soared on the basis of January's rosy economic reports, has been confused about what to expect from the recovery, Hugh Johnson of First Albany said.

When data such as disappointing retail sales figures emerged early this month, it looked like the economy was weakening and the market declined," he said. "On Tuesday, the industrial production numbers were released, and they weren't all that discouraging. Today the capacity utilization figures were better than expected."

Although there was little immediate response to OPEC's agreement on an oil-price cut earlier this week, Monte Gordon of Dreyfus Corp. said investors were slowly responding to the news.

"I suspect the market began moving forward on the assumption the OPEC agreement will hold at least temporarily," he said. "But, he added, the market is still 'confused about the character and quality of the recovery. There's been backing and filling because of the uncertainty.'"

On the NYSE, Continental Telephone was among the most active issues after a block of 1,056,500 shares traded at 19.

Retail chains were also active and generally trading higher. Several of the major chains announced good news this week.

John Connolly, market analyst for Shearson/American Express, said "stocks that are big energy producers are getting hit."

"Oil-service stocks were big losers on the day after a Morgan Stanley analyst lowered his estimate on the group."

Schlumberger fell 3 to 39% and Halliburton fell 2% to 30%.

Sterling to Try to Challenge
Dominance of Tylenol in U.S.

By Pamela G. Hollie

New York Times Service

NEW YORK — For Sterling Drug Inc., the maker of Bayer aspirin, the recall of Johnson & Johnson's Tylenol last September presented an unexpected opportunity. Sterling had for years been trying unsuccessfully to break Tylenol's grip on the pain-reliever market, and the sudden vulnerability must have seemed just the right time for Sterling to try again.

It was also an opportunity for the company to gain a foothold in the aspirin-free pain-reliever market, something that it had been refusing to attempt in recent years despite a decline in demand for aspirin products.

Accordingly, analysts say, Sterling decided to introduce its Panadol drug, a nonaspirin pain reliever sold only overseas for the past 25 years, into the United States next month. "This marks a significant change in company strategy," said David Crossen, an analyst at Smith Barney.

Typically, Sterling's chairman, W. Clark Wescoe, a physician, would not comment on the introduction of Panadol. And Walter C. Camas, president of Glenbrook Laboratories, the drug division of Sterling, would say only that the addition of Panadol to the company's line "will provide the right over-the-counter pain reliever for almost every need."

But the company has allocated \$100 million to promote Panadol, its largest such budget ever, and it clearly hopes to make more than a ripple. In particular, analysts say, Sterling's target is Tylenol.

There is a catch, however, and that is Tylenol, in the six months since seven people died after ingesting capsules that were laced with cyanide while on store shelves, already has recovered most of its market. Thus, analysts say, the Panadol strategy may be an example of Sterling's coming up with too little, too late.

Johnson & Johnson received a second blow earlier this month when it was forced to withdraw from the market its prescription drug Zomax. Zomax, a popular pain reliever, had been linked to five deaths from allergic reactions. Johnson & Johnson said it was withdrawing the drug pending relabeling. The company announced that the recall would cost the company \$20 million in after-tax earnings this year.

In 1978, Sterling tried to compete with Tylenol directly by introducing an aspirin-free Bayer. But the product failed to take hold against its more heavily promoted competitors. Bristol-Myers' Datril, American Home Products' Anacin 3, and, of course, Tylenol, the market leader, which had been introduced three years before. As it turned out, the non-aspirin Bayer, which had become known throughout the industry as the "nonproduct Bayer," had to be

(Continued on Page 11, Col. 1)

Spot Oil Market
Seems to Expect
More Price Drops

By Peter Calvert

Reuters

ROTTERDAM — The spot oil market returned an open but highly skeptical verdict Wednesday on OPEC's ability to stem a decline in the world price of oil with OPEC's new price-and-production package.

"Watch the spot market," said industry executives after Monday's decision by OPEC to cut prices for the first time since the 1973 Arab oil embargo. Its reference price was cut to \$29 a barrel, from \$34.

The Organization of Petroleum Exporting Countries' package also planned members to mandated production quotas, intended to erase surpluses in the market and defend what most experts saw as still an artificially high price at a time of low, recession-reduced demand.

OPEC prices are set for long-term contracts. But when buyers and sellers disagree on contract prices, the seller dumps his oil at the going rate in the free, noncontract "spot" market — which thus acts as an industry barometer of where a noncontracted price ought to be.

After two days to think about it, spot traders appeared Wednesday to share the skepticism about OPEC of Donald P. Model, the U.S. energy secretary, who told a Senate subcommittee in Washington Tuesday night that he expected oil prices to fall to the "mid-20s range" before finding a bottom.

Nobody rushed to buy spot oil, but traders said that pricing proposals Wednesday were slightly down from those of Tuesday.

Buyers Wednesday offered to pay \$28.10 for a barrel of North Sea Brent crude, an actively traded oil, down from agreements made Tuesday at \$28.30 to \$28.50.

Mr. Model said he doubted whether OPEC could restrain its production to remove the over-supply in the market. Meanwhile, traders suspected that the \$29 OPEC price would be undermined by non-OPEC sellers not bound by cartel rules, chiefly Britain, deplagued Mexico and the Soviet Union.

Britain was OPEC's biggest immediate problem. With buyers threatening to desert it, oil industry sources said Britain was all but certain to cut its North Sea oil price within a week or two.

In London, oil sources said that British oil companies would continue to face substantial losses on refining operations and the pressure would remain to seek crude oil at prices below official OPEC levels.

OPEC's New Quotas
On Production

Production of crude oil in the 13 OPEC countries for Feb. 1983 and new quotas, both in millions of barrels a day

	Feb. 1983 Output (mb/d)	New Output Quota (mb/d)
ALGERIA	0.80	0.725
EGYPT	0.19	0.20
GABON	0.15	0.15
INDONESIA	1.20	1.30
IRAN	2.40	2.40
IRAQ	0.80	1.20
KUWAIT	0.85	1.05
LIBYA	0.90	1.10
NIGERIA	0.80	1.30
QATAR	0.25	0.30
SAUDI ARABIA	3.80	3.80
U.A.E.	0.90	1.10
VENEZUELA	1.80	1.70

* Saudi Arabia has no quota, but will function as the swing producer, supplying quantities necessary to meet market requirements.

Source: Petroleum Intelligence Weekly (Feb. output: OPEC new quotas)

NTT

The sources said the OPEC agreement should reduce oil-refining losses in the short term as the gap narrows between product prices and official government crude selling prices.

But they have little confidence that the improved margins would last long because refiners would continue to turn to the spot market as the need remained to cut losses incurred from running high-cost OPEC crudes through refineries, the sources said.

They said it was difficult to define the level to which crude prices needed to drop before refineries would break even on their operations.

Refiners' margins differ according to the types of refineries and the products sold, but various oil sources agreed that the price of the OPEC market crude would need to fall toward \$26 a barrel before companies could make a profit from refining oil for gasoline sales in Britain.

Buyers said that Britain, at the least, would have to undercut Nigeria, an OPEC member, to remain competitive. But if it does that, it could provoke OPEC into a retaliatory price reduction and start a new slide, toward \$25 or even \$20 a barrel.

Mexico cut prices within hours of OPEC's move, but aligned itself to the \$29 reference level. The Soviet Union has cut prices from \$29.25 to \$28 a barrel.

EMS Tensions Constrain Bundesbank

By Stephen Jukes

Reuters

FRANKFURT — Tensions within the European Monetary System and recriminations between West Germany and France over responsibility for the upheaval have thrown a new element of uncertainty into the Bundesbank's deliberations over interest-rate policy, commercial bank economists said Wednesday.

Financial markets, which immediately after Chancellor Helmut Kohl's sweeping general election victory March 6 widely expected a rate cut this week, are now deeply divided over the outcome of Thursday's Bundesbank council meeting.

Finance Minister Jacques Delors of France has laid the blame for EMS problems squarely on the strength of the Deutsche mark, while the West German Finance Ministry believes that the French government must put its economic house in order before tensions can ease, the economists said.

The Bundesbank is anxious not to become embroiled in what is now largely a political debate, they said, but the EMS is likely to play a major role in Thursday's council meeting debate and options within the 18-man body are believed to diverge widely.

Some economists believe that the Bundesbank will cut its 5 percent discount and 6 percent Lombard rate by a full point, some see no cut and others believe that a middle road will be taken, with a half-

point cut in both rates. Opinions also vary widely as to the impact that a Bundesbank rate cut of even one full percentage point would have on relieving EMS tensions.

But most senior foreign-exchange dealers said this could prove only a temporary solution, postponing by a few weeks an inevitable realignment.

Pressure mounted again Wednesday on the weaker currencies of the EMS and was expected to persist at least until France and West Germany announced their new cabinets, government and banking sources said.

In Frankfurt the French franc eased to 35.025 Deutsche marks per 100 francs from 35.38 Tuesday and the Belgian franc fell to 5.113 DM per 100 from 5.204.

The mark was fixed sharply higher in Paris at 2.8596 francs, compared with Tuesday's 2.8505 fix, but well below its EMS ceiling of 2.8985.

The fate of the EMS and West Germany's future European economic and monetary policies will be determined by the outcome of current infighting for key posts in the Bonn cabinet, political analysts said.

French President Francois Mitterrand decided Tuesday to postpone his own expected cabinet reshuffle until after a European Community heads of government meeting in Brussels next Monday and Tuesday.

In the uncertainty, foreign ex-

change dealers in Frankfurt and Paris predicted further currency upheavals before the weekend on speculation about a possible EMS realignment.

Spot transactions have all but dried up and companies cannot carry out day-to-day forward operations because of the Bank of France's classic bear squeeze on speculators through the Eurofranc market — Eurofranc interest rates have gone as high as 2,000 percent on an annualized basis — and Belgium's restriction of open positions in its currency.

Some economists believe that the Bundesbank, as anxious as Bonn to avoid another devaluation of the French franc, which would harm West German exports just when the West German economy is picking up, will act to take pressure off the EMS.

But other economists say that the Bundesbank, tacitly agreeing with the Bonn Finance Ministry line, will postpone an interest-rate cut, arguing that the French should first remove uncertainty by reshuffling the cabinet and presenting a widely anticipated package of austere measures.

Rumors on the foreign-exchange market said that the Bank of France has exhausted its swap line with the Bundesbank and is seeking an increase. A Bundesbank spokesman would not comment.

EMS questions aside, economists see the balance of the Bundesbank's deliberations weighing

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Dow Jones Averages

	Open	High	Low	Close	Chg
30 Ind	1124.81	1124.77	1114.4	1114.0	-4.82
500 Ind	127.81	127.80	126.8	126.8	-0.01
500 Ind	127.81	127.80	126.8	126.8	-0.01

Standard & Poor's Index

	Open	High	Low	Close	Chg
Composite	126.81	126.80	125.8	125.8	-0.01
Industrials	126.81	126.80	125.8	125.8	-0.01
Utilities	126.81	126.80	125.8	125.8	-0.01

Odd-Lot Trading in N.Y.

	Buy	Sell	Net
Mar. 15	10,000	10,000	0
Mar. 16	10,000	10,000	0
Mar. 17	10,000	10,000	0

Market Summary, March 16

Market Diaries

	Open	High	Low	Close	Chg
NYSE	1124.81	1124.77	1114.4	1114.0	-4.82
AMEX	127.81	127.80	126.8	126.8	-0.01

AMEX Stock Index

	Open	High	Low	Close	Chg
AMEX	127.81	127.80	126.8	126.8	-0.01

NASDAQ Index

	Open	High	Low	Close	Chg
NASDAQ	126.81	126.80	125.8	125.8	-0.01

Dow Jones Bond Averages

Dow Jones Bond Averages

	Open	High	Low	Close	Chg
Bond	126.81	126.80	125.8	125.8	-0.01

NYSE Index

NYSE Index

	Open	High	Low	Close	Chg
NYSE	1124.81	1124.77	1114.4	1114.0	-4.82

NYSE Most Active

	Open	High	Low	Close	Chg
NYSE	1124.81	1124.77	1114.4	1114.0	-4.82

NYSE Most Active

	Open	High	Low	Close	Chg
NYSE	1124.81	1124.77	1114.4	1114.0	-4.82

Wednesday's NYSE Closing Prices

Tables include the nationwide prices up to the closing on Wall Street.

12 Month	High	Low	Stock Div.	Yld.	P/E	100	High	Low	Close	Chg
11% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
12% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
13% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
14% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
15% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
16% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
17% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
18% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
19% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
20% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
21% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
22% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
23% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
24% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
25% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
26% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
27% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
28% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
29% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
30% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
31% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
32% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
33% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
34% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
35% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
36% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
37% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
38% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
39% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
40% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
41% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
42% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
43% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
44% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
45% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
46% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
47% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
48% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
49% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
50% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
51% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
52% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
53% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
54% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
55% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
56% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
57% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
58% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
59% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
60% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
61% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
62% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
63% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
64% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
65% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
66% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
67% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
68% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
69% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
70% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
71% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
72% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
73% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
74% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
75% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
76% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
77% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
78% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
79% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
80% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
81% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
82% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
83% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
84% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
85% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
86% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
87% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
88% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
89% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
90% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
91% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
92% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
93% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
94% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
95% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
96% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
97% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
98% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
99% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					
100% AAR	1124.81	1124.77	1114.4	1114.0	-4.82					

NYSE Most Active

	Open	High	Low	Close	Chg
NYSE	1124.81	1124.77	1114.4	1114.0	-4.82

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Dow Jones Bond Averages

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	Open	High	Low	Close	Chg
Bond	126.81	126.80	125.8	125.8	-0.01

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BUSINESS**Butcher Plans \$1 Billion-Plus**

Butcher's plan to build a \$1 billion-plus bank in Tennessee. The plan is to build a bank with assets of \$1 billion. The plan is to build a bank with assets of \$1 billion. The plan is to build a bank with assets of \$1 billion.

Butcher's Dollar Account

Butcher's plan to build a \$1 billion-plus bank in Tennessee. The plan is to build a bank with assets of \$

BUSINESS BRIEFS

C.H. Butcher Plans Bank Firm With \$1 Billion-Plus in Assets

KNOXVILLE, Tennessee (UPI) — C.H. Butcher announced plans Wednesday to join 12 Tennessee banks in a holding company with assets of more than \$1 billion. C&C Bank, the flagship of Mr. Butcher's banking empire, with assets of \$244.5 million, would be included, as would United Southern Bank of Nashville.

Mr. Butcher would finance the company with more than \$30 million in capital and equity, including his home in Knoxville. Mike Butler, Mr. Butcher's spokesman, said the home had been appraised at more than \$1 million.

Ownership of the home, "Brickhove," was transferred to a Miami attorney on Feb. 11, the last business day before the failure of United American Bank, run by Mr. Butcher's brother, Jake.

C.H. Butcher controls 13 banks in eastern Tennessee and 11 in Kentucky, mostly in rural counties. Formation of the holding company awaits approval from state and U.S. banking regulators.

Mexico's Dollar Account Rate Up

MEXICO CITY (UPI) — Mexico has increased by 32.5 percent the rate its banks repay investors holding frozen dollar accounts, according to a government spokesman.

The decision Tuesday marked a partial reversal of policies established under former President José López Portillo, who froze the dollar account in August. There was about \$12 billion in the accounts when they were frozen. About \$1 billion is believed to be left.

Mr. López Portillo had set the repayment rate on the accounts at 70 pesos to the dollar, or nearly half the free market rate at the time. Since then the government has slowly increased the rate, offering 80 pesos to the dollar last week and now 106 pesos. The free market rate is 149 pesos to the dollar.

Insurer to Buy Continental Stake

HOUSTON (AP) — American General Corp., an insurance holding company with more than \$13 billion in assets, will buy about 20 percent of Continental Airlines for \$42.5 million, according to Continental officials.

They said Tuesday that American General would purchase notes and warrants convertible into Continental's common stock over the next five years. The notes will mature in 15 years, carry an 11-percent annual interest rate and be secured by certain facilities at Los Angeles International Airport.

Frank Lorenzo, president of Texas Air Corp., the parent company of Continental, said the airline's board would elect Harold S. Hook, chairman and chief executive officer of American General, as a director. American General announced meanwhile that it was seeking a purchaser for its Opryland properties in Nashville, Tennessee.

\$880-Million Loan Deal for Peru

WASHINGTON (UPI) — Peru's major bankers have devised an eight-year, \$880-million loan package to keep the country afloat financially for the next 12 months. The package, put together by 10 major Western banks advising Peru, needs the approval of the other 255 banks that hold Peruvian debt.

Bill Rhodes, Citibank's senior vice president in charge of Latin American lending, said Tuesday that the other banks would be asked to refinance \$430 million in loans that come due by next March, and to lend Peru an additional \$450 million. Peru owes foreign creditors \$11 billion.

Mr. Rhodes, chairman of the 10-bank advisory committee, said banks also will be asked to keep up the \$2 billion in short-term credit outstanding to Peru. Peru is to pay interest on the \$880 million until 1986, then pay off the principal in 11 semiannual installments.

Philips, Sandis Discuss Contract

AMSTERDAM (Reuters) — Philips is negotiating with Saudi Arabia for a 1.5-billion-guilder (\$577-million) order to follow up telephone equipment and construction contracts that Philips and L.M. Ericsson have received since 1977, a company spokesman said Wednesday.

The spokesman said he had no further details on the talks. He said the original 1977 contract, to extend and modernize Saudi Arabia's telephone system, had yielded orders totaling 12 billion guilders for the two companies.

64 Oil Tracts off Alaska Leased

ANCHORAGE, Alaska (UPI) — Eleven oil companies have paid the U.S. Treasury \$325.3 million to lease 64 of 418 offshore tracts offered in bidding for oil and gas exploration in Alaska's Norton Sound.

Exxon was the big buyer, winning 45 tracts with an outlay of \$264 million. With France's Elf Aquitaine contributing 15 percent, Exxon bought the most sought-after tract, No. 269, for \$41.5 million.

Results of the bidding Tuesday confirmed forecasts that the sale would not exceed \$500 million; Norton Sound is far from the Alaska pipeline and too shallow for some super tankers. On Friday, Governor Bill Sheffield withdrew a threat to sue the U.S. Interior Department over environmental concerns.

Company Notes

Martin Marietta has reached agreement in principle to sell four cement manufacturing plants to the Blue Circle Industries Group of Britain and Cementa Holdings of Switzerland for more than \$150 million in cash.

Pacific Southwest Airlines has ended discussions with Braniff on forming a Texas-based PSA division.

Interstate Inc. of Omaha, Nebraska, expects 1983 capital spending of about \$385 million, compared with \$420 million last year.

Carborundum announced Wednesday that it was withdrawing from the abrasives business and shutting its bonded abrasives plants in Niagara Falls, New York, and Logan, Ohio, resulting in the loss of about 900 jobs.

Sterling to Introduce U.S. Rival to Tylenol

(Continued from Page 9)

withdrawn six months later. Next, having failed with its nonaspirin product, Sterling redoubled its efforts to push its aspirin products. Once again, the target was Tylenol, and this time the campaign took the form of a direct challenge to Tylenol's advertising claims.

When the ads seemed to suggest that doctors recommended Tylenol, Sterling responded with ads reading: "Makers of Tylenol, shame on you!" The ads contended that doctors do not recommend Tylenol by name but simply say, "Take an aspirin." Tylenol is not aspirin, the ads observed, and Bayer is.

The Bayer ads further attacked the aspirin-free ingredient in Tylenol, acetaminophen, as a potentially harmful chemical that leading experts have expressed great concern about.

In the industry, many believed that the Sterling ads had backfired and only reinforced Tylenol, which grew to a \$400-million profit under Johnson & Johnson. In addition, analysts say, the ads left an impression that Sterling was to aspirin and anti-acetaminophen, despite the fact that Sterling so made acetaminophen drugs as Panadol, which is 100 percent acetaminophen.

Indeed, had Sterling not taken a

From the look of Sterling's Panadol ads, the company appears to be taking a conservative approach in bringing the drug to the United States. The Panadol ads are straightforward, without references to competitors. The ads are also careful not to oversell Panadol. In the past, Sterling has been warned by the Federal Trade Commission against promising consumers too much.

The nonaspirin pain reliever, originally available only by prescription to people allergic to aspirin, have been sold over the counter for 10 years. In recent years, their share of the overall market has been growing and is now more than a third the size of aspirin's.

Bayer aspirin is Sterling's best-known drug. It also provides the bulk of the company's \$230 million in annual domestic proprietary-product sales. Total sales from Sterling's six divisions amount to \$1.8 billion.

"Sterling was possibly too loyal to Bayer," said Joseph Riccardi, an analyst at Bear Stearns. As the market shifted toward nonaspirin products, Sterling remained committed to Bayer, a product name that the company acquired after the West German chemical giant Bayer had lost the right to use it in the United States after World War I.

But recently, Sterling's loyalty to

U.S. Seeks Alteration Of GATT

By Stuart Auerbach

Washington Post Service

WASHINGTON — The United States has initiated private talks with some but not all of its major allies seeking an overhaul of international trading rules because the existing system is not coping with growing trade tensions, Reagan administration officials say.

The talks, disclosed Tuesday, were described as "low key" and "informal." Yet they have been carried out at the highest level by U.S. trade officials — William E. Brock, the U.S. trade representative, who is the top U.S. trade negotiator, and two deputies.

The administration's move is directed at the 88-nation General Agreement on Tariffs and Trade, formed after World War II to regulate international trade.

U.S. officials said that they are troubled by the "lack of political will" during November's GATT ministerial meeting. That session failed to come to grips with major trade problems, especially barriers being erected against the export of services that brought more than \$100 billion to the United States last year, administration officials said.

The administration also is deeply disturbed by what it views as GATT's inability to settle trade disputes among its members. This was vividly illustrated by the violation of a GATT panel dealing with a U.S. complaint that European government subsidies on exports of wheat flour have hurt U.S. overseas sales, officials contended.

Divisions are likely to emerge Thursday when EC ministers meet in Washington with Mr. Brock in an attempt to settle the agricultural differences.

Europeans privately are warning U.S. trade officials that there would be serious reprisals if the United States were to make another move similar to the recent U.S. sale of \$150 million in government-subsidized wheat to Egypt. That cut France out of what it had considered one of its traditional markets.

Administration officials believe that the real issue is the way that GATT operates. Three broad areas of possible change have emerged to prod the GATT nations into a serious consideration of the organization's future.

One, which bears the working name of "GATT-plus," would be a group of nations that would agree to engage in freer trade than called for under GATT itself. They could, for example, decide to have completely free, two-way trade between themselves with no tariff or non-tariff barriers. The problem, however, is that this could upset most-favored-nation treaties.

Another, which has been called "super GATT," would create a group of nations to exercise trade leadership. The group would hope to put its views into the existing GATT system and persuade the rest of the trading world to join.

The third, called "the GATT of the like-minded," would see countries agreeing to cut barriers and inviting other nations to join in.

Among the nations reported to have been contacted by the United States are Canada, Japan, Finland, Norway, Sweden, Iceland, Brazil, South Korea and the ASEAN nations — Indonesia, Singapore, Malaysia, Thailand and the Philippines.

Bankers Take Close Look at Assessing of Risk

By Bob Hagerty

International Herald Tribune

LONDON — A leading officer at a major bank here recently boasted that he knew Mexico "was going to go bust a year before it did."

As banks increase reserves against doubtful debts, however, many say they are re-examining the way they analyze the risks of lending overseas. Prodded by outsiders' criticism and their own doubts, some banks are seeking advice from business schools and consultants. Others are pressing for clearer and more up-to-date world debt statistics from the World Bank and the Bank for International Settlements.

"The need to know is now felt to be more urgent," said Irving Friedman, a senior international adviser at First Boston Corp. in New York, who is considered a guru of country risk analysis.

How banks measure country risk helps determine the allocation of credit worldwide. Already, new lending to poor countries has slowed markedly, according to BIS figures for 1982.

While those countries are likely to continue finding it harder to raise funds, the lessons banks have learned over the past few years could help in some respects, notably by making less likely the kind of liquidity squeezes that have wracked Mexico and Brazil recently.

Every credit crisis has its lessons, according to Steven Davis, a London-based banking consultant and former Bankers Trust executive. Iran's 1979 revolution drove home the importance of watching politics as well as economics. In the mid-1970s, Zaire's debt problems illustrated that abundant natural resources do not always compensate for bad economic management.

Probably the biggest lesson of 1982 is that short-term debt matters. Brazil and Mexico, among others, relied heavily on short-term deposits that their banks' overseas branches attracted in money markets.

When the size of Mexico's debt problems became clear last August, many small and midsize banks yanked back their short-term funds, aggravating the crisis.

Before that liquidity crunch, many country risk analysts ignored short-term interbank loans when totting up a country's overall debt obligations and gauging its ability to repay. Now it is clear that a loss of confidence can choke off interbank credit lines and that sharp rises in short-term borrowing spell trouble.

Another lesson is that the world economy can stay sticky for a long time. Some economists say the debt crisis reflects less a failure to evaluate individual countries' risks than a failure to foresee worldwide slump in commodity prices coinciding with a surge in interest rates.

"It happened so fast," said Richard O'Brien, chief economist at American Express International Banking Corp. in London. He argued that the severity of the rate surge and commodity slump was almost impossible to predict.

Even so, bankers are taking the heat. Mr. Friedman said banks should have paid more heed to the flight of Mexican capital into the United States last spring. "If you knew there was capital flight," he said, "you knew something big and important for lending decisions."

At Lloyds Bank International, Roger Seggins, manager of syndicated lending, suggested that country risk watchers should pay more attention to conditions in the lending market. For instance, he said, the rush by many banks to do short-term business early last year signalled that they were having trouble financing their lending and foreshadowed a squeeze.

Outsiders are more critical. Paul Sacks, a partner at the New York risk consulting firm Multi-National Strategies, recently studied the way top U.S. banks measure country risk. He found a "very strong lending bias." The primary input for lending decisions, he said, usually comes from loan officers whose careers depend on selling credit. Economists' warnings do not always get heard at the highest levels, he added.

Bankers maintain that loan officers do not have undue influence and that those who push for bad loans risk getting fired. Besides, a British loan officer said, "people living in ivory towers don't realize the pressures banks come under."

At any rate, Mr. Sacks seems to have touched a sore spot. "Economists don't always get it right either," an American banker retorted. A British banker said that while he is lining up business, the economists are "sitting back writing reports."

Mr. Davis, the London-based consultant, asserted that top bank executives often are too willing to approve risky loans in the interest of meeting profit targets.

Another problem, he said, is the bias of high-level bankers: "The chairman flies in, sees the country for two days and becomes an instant expert." On a similar note, Mr. Sacks warned against chumminess between top bank officers and foreign central bank chairmen.

Aside from criticism, the debt problems are leading to some action and proposals for change.

Thirty-five banks from Europe, North America and Japan are setting up the Institute of International Finance, a Washington-based body that is to collect data on debtors or nations and report to banks. Bankers generally applaud the idea and say it will especially help banks too small to have economic research staffs.

First Boston's Mr. Friedman cautioned, however, that the institute will have to be discreet lest its warnings create panic among lenders and hurt self-fulfilling.

Banks also are working more closely with the International Monetary Fund, said George Clark, an executive vice president at Citicorp in New York. He allowed that the fund cannot share all its inside information but said it should "give a wink" or show a "thumb's down" when bankers need to be warned about a country's financial troubles.

Brian Griffiths, dean of the business school at City University in London, suggested that banks put outsiders on their credit-allocation committees. "Otherwise," he said, "the thing becomes almost too incestuous."

Some bank economists, for their part, believe they will have to speak up a little more. At American Express, Mr. O'Brien finds that his bank's rating system, which ranks countries from A to E, gets attention. A five-page report may go unread, he observed, but "you pull the rating down and everybody notices." It is then up to the economist to explain the niceties, he said.

Dick Sargeant, group economic adviser at Midland Bank in London, said economists may have failed to express their warnings with sufficient force. "Perhaps dropping hints is not enough," he said.

U.S. Factory Use Up for 3d Month

The Associated Press

WASHINGTON — U.S. manufacturers increased factory use in February for the third straight month, the government reported Wednesday. A big gain in auto output was a main factor.

The Federal Reserve Board report said factories operated at 68.5 percent of capacity, a 0.2 percentage-point increase from January, which was bound to be seen as yet another sign of recovery from the recession.

The Commerce Department's chief economist, Robert Ortner, said that factory use was still low — it was at 79.8 percent when the recession began in July 1981 — but that it could be expected to continue to rise during the spring and summer.

With so much factory capacity still idle, economists say the recovery will get no boost soon from corporate spending for expansion or modernization. But Mr. Ortner said such a pickup might be expected later this year.

The February increase in factory use had been expected in light of

the government's report Tuesday that industrial production in U.S. factories and mines rose 0.3 percent in February, also the third straight monthly rise.

In both cases, February's gains fell short of January's — 0.8 percentage point for factory use and 1.3 percent for industrial output. But the slackening rate of increase

was expected, especially since unusually good weather apparently helped push January activity ahead.

The Fed revised figures for two previous months, estimating now that factory use climbed slightly, to 67.5 percent, in December, rather than declining to 67.3 percent, and that it rose to 68.3 percent rather than 67.8 percent in January.

New Issue
March, 1983

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Trinkaus & Burkhart	Vereins- und Westbank Aktiengesellschaft	Wood Gundy Limited	

Floating Rate Notes

Closing prices, March 16

Banks	Interest Rate	Yield	Price
Alahli Bank of Kuwait (K.S.C.)	10 1/4%	10 1/4%	100.00
Arab Banking Corporation (ABC)	10 1/4%	10 1/4%	100.00
Bank of America International	10 1/4%	10 1/4%	100.00
Bank Mees & Hope NV	10 1/4%	10 1/4%	100.00
Banque Française du Commerce Extérieur	10 1/4%	10 1/4%	100.00
Banque Internationale à Luxembourg S.A.	10 1/4%	10 1/4%	100.00
Banque Populaire Suisse S.A. Luxembourg	10 1/4%	10 1/4%	100.00
Barclays Bank International	10 1/4%	10 1/4%	100.00
Bayerische Vereinsbank	10 1/4%	10 1/4%	100.00
Berns Fry	10 1/4%	10 1/4%	100.00
CIBC Limited	10 1/4%	10 1/4%	100.00
Compagnie de Banque et d'Investissements, CBI	10 1/4%	10 1/4%	100.00
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Deutsche Genossenschaftsbank	10 1/4%	10 1/4%	100.00
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Vereins- und Westbank	10 1/4%	10 1/4%	100.00
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Tables include the nationwide prices up to the closing on Wall Street.

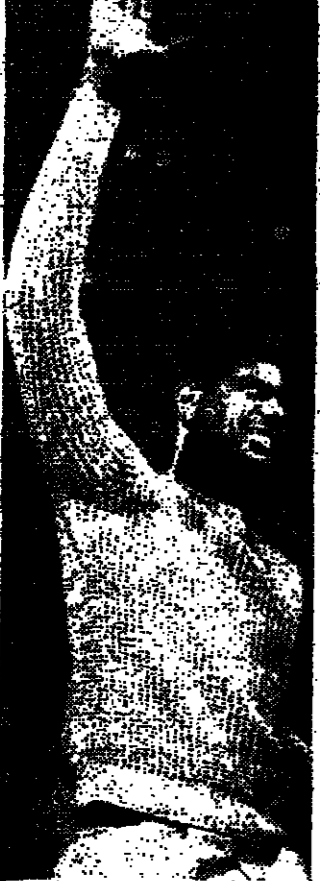
the percentage of
International Herald Tribune readers
holding management positions

(Continued From Back Page)

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SPORTS

NBA's Drew: 'Hi, I'm John and I'm a Drug Addict'



John Drew
Responding at his homecoming.

By Roy S. Johnson
New York Times Service
SALT LAKE CITY, Utah — The young man speaks softly, but the words come quickly because he is eager to tell his story. "Hi, I'm John," he says, "and I'm a drug addict."

Thus does John Drew introduce himself at a gathering of Alcoholics Anonymous, which also treats drug addicts. He is addicted to cocaine, and has been, he says, ever since he began free-basing, which involves cooking the drug until it reaches its purest form, three years ago. He'd started it for two years before that. "I tried something, and liked it," he says. "And by liking it, it almost destroyed me."

It came close to destroying his career in pro basketball. Last Nov. 22, at the beginning of Drew's ninth National Basketball Association season — his first with the Utah Jazz — he received a telephone call at 7 A.M. while he was asleep in a hotel room in Cleveland. Dan Sparks, the team trainer, told Drew to meet him in the room of Frank Layden, the coach. When he arrived, Drew learned what he'd suspected all along: They knew.

Confronted, Drew acknowledged his addiction. Two hours later, he and Sparks were on an plane to Baltimore, where he underwent an eight-week detoxification treatment.

"It was the biggest relief in the world," Drew says of the meeting with his coach and trainer. "It took

a lot of energy for me to hide what I was doing. But right then, I had a release. "Thank God," I thought to myself. "Somebody knows."

Drew returned to action — and an enthusiastic greeting from a home crowd — in late January. Going into a recent game with Los Angeles, he had played 10 games and averaged 24 points since rejoining the Jazz. In the nine games before undergoing treatment, his average had been 14.1.

Like the others at that recent AA meeting, Drew had lied to his family, to his friends and to himself about his habit. Like them, he went to great lengths to satisfy his dependency. And like them, he has a story to tell, and he wants to tell it every day.

"I'm a very happy person," he told them. "And I want to let people know that what happened to me can happen to them. But I also want them to realize that they can get what I have now if they do what I did. There are no shortcuts."

That evening, Drew scored a game-high 33 points in a triumph over San Antonio, leaders in the NBA's Midwest Division. But that was a minor triumph in contrast to the one he related to a companion that afternoon.

"I was in Phoenix," he said, "and after a game, this guy — he used to be a friend of mine — came up and told me he'd heard about what I'd done, the treatment. He said, 'That's great, man. Let's go

celebrate. I've got a gram of coke.' I was so scared I started shaking. I went right to a phone and called an AA contact in the city. He helped me through it."

Reflecting, Drew said: "You can do drugs for a while and get away with it. You can play for a while, too. But eventually it'll get you. Before I go back to it, I'll kill myself. I'd rather be dead than go through that again."

According to Drew — and several other players — there are others in the NBA who are experiencing that kind of pain. "Now, I'm not talking about the league, or anybody," says the two-time all-star, "because I think they're doing the best they can. But if something's not done, someone's gonna get into a lot of trouble — possibly get hurt. A lot of players won't be as lucky as I was."

"We're unique," Layden says of the NBA, "because we have a lot of young people with a lot of money. If you were a drug dealer, would you go after 20 people who make \$200 a week or the kid who makes almost half-a-million a year? They're the market. And while I think we're ahead of some other leagues in dealing with this, I think we have to do even more to protect them."

Drew says the problem with drugs did not begin until he joined the NBA. That is contrary to a widely held belief that an athlete is exposed to drugs before he turns pro and that becoming a highly-

paid star only makes him more vulnerable.

Drafted in the second-round by Atlanta in 1974, Drew signed a five-year contract for \$780,000, with a \$40,000 signing bonus. "For a kid who never had \$100 in his pocket," says Drew, "that was a hell of a jump."

For three NBA seasons, Drew lived drug-free. In his second season, he averaged 21.6 points a game and was named to his first all-star team. The next year his average was almost 25 points a game.

Layden was then an Atlanta assistant coach. "There was nothing he couldn't do," Layden says. "But John was also a carefree guy, a free spirit, like a bucking bronco. The thing that was missing was self-discipline."

Drew liked the fast-lane existence of the status he attained. "But it all came too fast," he says. "You get all the money, then you get bored. Then you look for something else."

He didn't have to look far. His first time using cocaine was in Portland in 1977. The word had got out: Drew was cool. After a game there, a man came up and introduced himself. "He was the kind of guy who goes to all the teams and finds out who does drugs," Drew recalls now. "Later he called me, said he had some coke, and I told him to come on over. That's when it all started. I'm not saying that Portland's a big drug town or anything. It could've happened anywhere, even Salt Lake City. But after that, it began to grow."

The ease with which Drew obtained his first cocaine is typical, according to players, although the NBA attempts to be aware of the whereabouts of fans suspected of being involved with drugs.

The league employs a network of retired or semi-retired law enforcement officials. "We pick a guy, usually a former FBI man, who lives in and knows a city," says John Joyce, the league's head of security. "He knows the local hangouts of the pushers and the heavy users. We maintain a close liaison with them."

If the league receives information concerning a player who might have been seen with one of the reputed users or pushers, the player is often contacted by Joyce. "We just try and warn them," he says.

Drew admits that his reputation as more than a casual user of cocaine began to reach those who were not part of the drug subculture. "It was all around the league," he said. "I was sick and I didn't care."

"I never did drugs to kill any

bad feeling, because I was hurt or because I had any problems," he says. "I did drugs because I liked them, and they made me feel good."

"I never played while I was high," he says, "though I did sometimes perform under the effects of what I'd done the night before. I did a pretty good job of covering it up, learned all the tricks of the trade and lied to anyone."

Drew's changing behavior wasn't reflected in his performance on the basketball court. He maintained his statistics, averaging 19.5 points a game in 1979-80, the season he started free-basing.

Stan Kasten, the Hawks' general manager, and the team president, Michael Gearon, also heard rumors. Three times, the Hawks sent Drew to a detoxification center in Charleston, South Carolina. But his own reluctance caused the treatments to fail.

"I had nothing to look forward to," he says. "I enjoyed nothing, I didn't even enjoy basketball, at least not as much as I had when I had my love. But I didn't feel I had a problem because I was dealing with a drug that told me I didn't have one."

Drew began to believe that his problem lay in Atlanta. So he asked to be traded, and last summer the Hawks sent him and guard Freeman Williams to Utah — along with \$1 million in cash — in exchange for the rookie Dominique Wilkins.

Drew says "You can't run, and you can't hide."

That Drew was able to overcome his drug habit was due in part to the previous experience of Layden, who began coaching the Jazz in the 1980-81 season. Layden began his "troubled years," as Layden calls them. He had heard the rumors, too.

"When I left there," Layden says, "I thought of John as a friend, and when I had the opportunity to get him back I thought it would be good for both of us."

"I asked the principals involved — Kasten and Gearon — and they said he was O.K.," Layden said. "He was a little overweight, they told me, but he was clean."

It became quickly evident to Layden that Drew was far from clean. There were signs, Layden says — like missing practices, a game and a team flight. Once they realized Drew needed help, Layden and Sparks investigated six facilities before deciding to confront Drew. "We wanted to be ready," says Sparks. "We didn't want to have to say, 'Let's do it next week.'"



Drew back in action against the Milwaukee Bucks.

The facility seemed like a prison to Drew. He was allowed one phone call a day and almost no recreation. Placed with 14 other patients of varied ages and backgrounds, he underwent daily individual treatment and attended group therapy sessions. He was not allowed to wear any Jazz clothing or to read any basketball material. Perhaps the most important — and the hardest — part of his treatment required Drew to call all the friends with whom he had used drugs and tell them that he never wanted to see them again. "I had to shut the door on those people," he says. "I told them, 'I don't do drugs. I don't want to, so don't call around me. If you do I will tell on you.'"

"I like my sobriety, and nothing will give me an excuse to go back. Those people were a risk to me."

Drew will not say how much he spent on cocaine, but with an annual salary of \$480,000 he says he was never in any serious financial trouble.

That life is all behind Drew now. There are still temptations, but he fights them off by attending daily AA sessions — "they're my medicine" — even on the road.

NBA Standings

EASTERN CONFERENCE				WESTERN CONFERENCE			
Atlantic Division				Midwest Division			
W	L	Pct.	GB	W	L	Pct.	GB
Philadelphia	54	1	257	San Antonio	41	25	621
Boston	44	19	296	Denver	37	30	552
New York	41	24	331	Dallas	33	34	500
New York	34	30	331	Kansas City	32	35	492
Washington	29	34	468	Utah	24	42	347
Central Division				Pacific Division			
Milwaukee	42	21	472	San Antonio	41	25	621
Atlanta	33	32	508	Denver	37	30	552
Philadelphia	29	34	446	Dallas	33	34	500
Chicago	23	38	376	Kansas City	32	35	492
Cleveland	17	47	264	Utah	24	42	347
Indiana	17	48	262	Houston	11	54	169
TODAY'S RESULTS				TODAY'S RESULTS			
Portland 119, Atlanta 97 (Kane 23, Williams 18, Davis 19, Archibald 18)				Dallas 124, Houston 116 (Aguirre 29, Vincent 22, Lowell 22, Bryant 19)			
New York 106, Detroit 90 (Dawkins 22, Williams 20, Thomas 23, Triunfo 15)				Denver 129, Golden State 115 (Vandeweghe 32, Ellis 26, Lyle 20, Brewer 18)			
Philadelphia 112, Indiana 128 (Turner 42, Noll 35, Knight 40, Williams 21)				Phoenix 116, Chicago 108 (Davis 28, Nance, Johnson 18, Thues 22, Corbin 21)			
Washington 95, Cleveland 92 (Rutledge 26, Ballard, Collins 14, Free 25, Huston 15)				Portland 115, Kansas City 96 (Poston 23, Thompson 24, Woodson 24, Drew, S. Johnson 16)			
San Antonio 120, San Diego 109 (Garvin 21, Givins 19, Cummings 21, Wood 24)							

Magri Upsets Mercedes in Flyweight Title Fight

The Associated Press
LONDON — Charlie Magri of Britain won the World Boxing Council flyweight title with a seventh-round technical knockout of defending champion Eleoncio Mercedes of the Dominican Republic at Wembley Arena Tuesday night.

Magri, who had gone into the fight as a 3-2 underdog, opened a fight with Mercedes' left eye during the sixth round and referee Ray Solis of Mexico stopped the contest at 1:14 of the seventh.

Blood was pouring into Mercedes' eye, blinding him, and he was taking tremendous punishment as Magri landed a two-fist attack.

Magri, who last year had considered retiring after suffering two defeats, fought superbly.

Mercedes jabbed effectively in the early rounds, but had no answer to Magri's mounting assault. Mercedes, 26, was making his first defense since winning the title

from Freddy Castillo of Mexico last year.

Magri raised his record to 27-2, while Mercedes dropped to 19-7-2. Magri, Britain's only current world champion, became the eighth British boxer to hold the flyweight title.

Both boxers entered the ring weighing 111½ pounds, eight ounces inside the flyweight limit.

"It is great to be world champion after so many people wrote me off," said the winner after the bout. "Mercedes had said he would knock me out. But he hit me with solid punches and I stood there and took them."

"When I started hitting him with body punches, I could feel it made him uncomfortable."

Magri, who already holds a victory over World Boxing Association flyweight champion Santos Laciar of Argentina, said he plans to relax before fighting again.

"I worked flat-out for 13 weeks preparing for this fight," he said. "I can do with a rest."



Charlie Magri, during his victory over Eleoncio Mercedes.

Princeton, LaSalle Among Winners in Preliminaries

The Associated Press
PHILADELPHIA — Princeton, LaSalle, Robert Morris and Alcorn State won Tuesday night in the first-ever preliminary round in the history of the National Collegiate Athletic Association basketball tournament.

Under the NCAA's new 52-team

NCAA ROUNDUP

format, there were 24 automatic qualifiers and 28 at-large bids, but eight of them had to play preliminary games before this weekend's first and second rounds.

Gordon Enderle scored 18 points and Craig Robinson added 15 as Ivy League champion Princeton defeated North Carolina A&T here, 53-41. Princeton, 19-9 and riding a 10-game winning streak, will meet Oklahoma State Friday at Corvallis, Oregon.

In the second game, sophomore forwards Albert Butts and Ralph Lewis sparked a second-half drive that powered La Salle past Boston University, 70-58.

La Salle, the East Coast Conference champion, will meet Virginia Commonwealth Thursday in Greensboro, North Carolina. La Salle outscored B.U., 14-4, in the first eight minutes of the second half with Lewis netting eight points and Butts seven.

In Dayton, Ohio, Forest Grant scored 17 points and Chip Harris added 16 to lead Robert Morris past Georgia Southern, 64-54. The victory put the ECAC Metro champions into a first-round game Thursday in Tampa, Florida, against Furman. Robert Morris, 23-7, has won 19 of its last 20 games.

In the third game, Michael Phelps scored 18 points to lead Alcorn State to an 81-75 victory over Xavier of Ohio. The Braves will meet Georgetown in Louisville, Kentucky, on Friday.

The 32-team National Invitation Tournament also got under way Tuesday night. In Nashville, Tennessee, Vanderbilt defeated East Tennessee State, 79-74, and in Tampa, Florida, Charlie Bradley's 34 points led South Florida past Fordham, 81-69.

The 32-team National Invitation Tournament also got under way Tuesday night. In Nashville, Tennessee, Vanderbilt defeated East Tennessee State, 79-74, and in Tampa, Florida, Charlie Bradley's 34 points led South Florida past Fordham, 81-69.

Tournaments

NCAA
TUESDAY'S PRELIMINARY RESULTS

Princeton 53, N.C. A&T 41
La Salle 70, Boston U. 58

Robert Morris 64, Georgia Southern 54
Alcorn St. 81, Xavier (Ohio) 75

EAST REGIONAL
First Round

March 19: W. Virginia vs. James Madison, W. Va. vs. Ohio U.

March 19: Princeton vs. La Salle, LaSalle vs. Virginia Tech, W. Va. vs. Ohio U.

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SPORTS BRIEFS

Decker Wins Jesse Owens Award

NEW YORK (AP) — Distance runner Mary Decker Tabb on Wednesday was named winner of the 1983 Jesse Owens International Amateur Athlete Award. She is the first woman to win the award, presented annually to the world's outstanding amateur athlete.

Last year, the 24-year-old Decker set world outdoor records for 5,000 and 10,000 meters; indoors, she broke the world indoor best for the mile three times and for 2,000 and 3,000 meters once each.

Of the 26 athletes originally eligible for this year's award, an international panel of judges narrowed the field to three track and field stars — the other two being sprinter-long jumper Carl Lewis and decathlete Daley Thompson of Britain.

Wimbledon Increases Prize Money

WIMBLEDON, England (AP) — Prize money for this year's Wimbledon tennis championships is up by almost 60 percent, the All-England Club has announced. The men's first prize will be \$112,654, compared with last year's \$75,000. The women's title will be worth \$101,400, against \$67,500 in 1982.

Wimbledon showed a profit of more than \$5.4 million last year. "We felt that in view of the excellent financial results, some of the money ought to go to the players," Sir Brian Burnett, chairman of the All-England Club, said Tuesday.

Hagler-Scypion Bout Set for May

NEW YORK (UPI) — Marvin Hagler will defend his world middleweight title for the seventh time on May 13 against Wilford Scypion in Providence, Rhode Island, promoter Bob Arum announced late Tuesday.

Hagler, who ran his record to 56-2-2 with a sixth-round TKO of Tony Sibson in February, has knocked out all six previous title challengers and is unbeaten in his last 31 fights. Scypion, 26-3, is the World Boxing Council's top-ranked challenger.

NHL Standings

WALE CONFERENCE					DETROIT				
PERRICH DIVISION					SMITH DIVISION				
W	L	Pct	GB	Pts	W	L	Pct	GB	
Philadelphia	41	19	288	304	96	Y-Edmonton	41	20	11
St. Louis	36	23	268	204	84	Calgary	39	32	18
NY Islanders	36	23	268	204	84	Vancouver	38	33	11
Minnesota	34	24	271	208	82	Los Angeles	37	34	12
NY Rangers	30	27	277	229	80	Los Angeles	25	34	17
New Jersey	14	45	212	279	48	(x-clinched playoff spot)			
Pittsburgh	14	45	212	279	48	(y-clinched division title)			
ADAMS DIVISION					TREDGAR DIVISION				
St. Louis	45	17	282	199	98	Montreal	53	33	1
Montreal	37	25	276	209	87	Ac-Ham (22), Montreal (22), Delmarie (12): St. Louis (19)			
St. Louis	34	28	274	204	80	St. Louis & Quebec			
St. Louis	31	29	271	208	78	Federico (21), Dundas (21), Ramona (14), Sutter (42): Dupont (3), Cloutier (26), Westley (11)			
St. Louis	27	33	261	218	70	Los Angeles			
CAMPBELL DIVISION					LOS ANGELES				
St. Louis	45	17	282	199	98	Los Angeles			
St. Louis	37	25	276	209	87	Los Angeles			
St. Louis	34	28	274	204	80	Los Angeles			
St. Louis	31	29	271	208	78	Los Angeles			
St. Louis	27	33	261	218	70	Los Angeles			

Transition

BASEBALL
AMERICAN LEAGUE
NEW YORK — Sent Dave Cade and John Candelaria pitchers, to their minor league contracts for reassignment.
PHILADELPHIA — Signed Steve Carlton, pitcher, to a four-year contract.

Exhibition Baseball

Atlanta 4, Montreal 4
Mexico (NL) 5, California 4
Cleveland 6, Oakland 3
Los Angeles 1, Pittsburgh 2
San Francisco 7, Seattle 2
Texas 8, Baltimore 1
Milwaukee 5, San Diego 1
New York (AL) 4, Toronto 1

ARIZONA — Fred Ben Lindsey, head basketball coach.
BIRMINGHAM — Young — Announced the resignation of Frank Arnett, head basketball coach.

KINGS POINT — Named Tom Carpenter and Mike Cavallera assistant basketball coaches. Stuart Markway tennis coach, and Tony Glass assistant football coach.

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